						ST EPARTMENT DIVISION O	OF NA			5		AME	FC	PRM 3	
		APP	LICATION F	OR	PERMIT	T TO DRILL					1. WELL NAME and		ER 22-2H4CS		
2. TYPE C		RILL NEW WELL (	neente	R P&A	A WELL [	DEEPE	N WELL				3. FIELD OR WILDCAT NATURAL BUTTES				
4. TYPE C			_		~	ne Well: NO					5. UNIT or COMMUNITIZATION AGREEMENT NAME  NATURAL BUTTES				
6. NAME	OF OPERATOR	<b>R</b>		IL & GAS ONSHORE, L.P.						7. OPERATOR PHO	NE	29-6515			
8. ADDRE	SS OF OPERA	TOR		79, Denver, CO, 80217						9. OPERATOR E-MA		@anadarko	.com		
	RAL LEASE NI L, INDIAN, OF	R STATE)		11. MINERAL OWNERSHIP  FEDERAL INDIAN STATE FEE FEE					12. SURFACE OWN	ERSHIP DIAN (	) STATI	· @	FEE (		
13. NAME		OWNER (if box	12 = 'fee')		TEDERA	TIND	IAIN C	/ SIAIL (			14. SURFACE OWN		•	~	
15. ADDR	ESS OF SURF	ACE OWNER (if b	ox 12 = 'fee'	)							16. SURFACE OWN	ER E-MA	AIL (if box	12 = 'f	ee')
17. INDI/	AN ALLOTTEE	OR TRIBE NAME				END TO COM		LE PRODUCT	ION FRO	M	19. SLANT				
(if box 12	2 = 'INDIAN')				YES (	(Submit C		gling Applicat	ion) NO	$\bigcirc$	VERTICAL DIF	RECTION	AL 📵	HORIZON	ITAL 🔵
20. LOC	ATION OF WE	LL		FO	OTAGES		QT	R-QTR	SEC	TION	TOWNSHIP	R	ANGE	МЕ	RIDIAN
LOCATIO	ON AT SURFAC	CE	23	51 FS	L 1584	FEL	١	NWSE	2	2	10.0 S	2	2.0 E		S
Top of U	ppermost Pro	ducing Zone	24	06 FN	NL 493 F	FEL		SENE	2	2	10.0 S	2	2.0 E		S
At Total			24	06 FN	NL 493 F			SENE	2	<u>2</u>	10.0 S	<u> </u>	2.0 E		S
21. COUN	ITY	UINTAH			22. DISTANCE TO NEAREST LEASE LINE (Feet) 493					23. NUMBER OF ACRES IN DRILLING UNIT					
						TANCE TO NI d For Drilling	or Co		AME POO	DL	<b>26. PROPOSED DEPTH</b> MD: 8769 TVD: 8575				
27. ELEV	ATION - GROU	JND LEVEL 5038			28. BON	ND NUMBER	2201	13542			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-8496				
<u> </u>					Hole, Casing, and Cement Information				n						
String Surf	Hole Size	Casing Size 8.625	0 - 2180		ight (	Grade & Th		Max Mu			Cement Type V		Sacks 180	Yield 1.15	Weight 15.8
Juii	11	8.023	0 - 2100		3.0	J-33 LTC	XC	0.2		Type V  Class G		270	1.15	15.8	
Prod	7.875	4.5	0 - 8769	11	1.6	I-80 LT8	ķС	12.5 Pren		Premium Lite High Strength		270	3.38	11.0	
										50/50 Poz	1210	1.31	14.3		
						ΑΊ	ГТАСН	IMENTS							
	VERIFY T	HE FOLLOWIN	G ARE ATT	ACHE	ED IN A	ACCORDAN	CE WI	TH THE U	TAH OIL	. AND (	GAS CONSERVATI	ON GE	NERAL F	RULES	
<b>✓</b> w	ELL PLAT OR I	MAP PREPARED I	BY LICENSED	SUR	VEYOR O	OR ENGINEER	2	<b>№</b> сом	PLETE D	RILLING	PLAN				
AFI	FIDAVIT OF S	TATUS OF SURFA	CE OWNER A	GREE	EMENT (	IF FEE SURF	ACE)	FORM	4 5. IF O	PERATO	R IS OTHER THAN T	HE LEAS	SE OWNER	ł	
DRILLED		URVEY PLAN (IF	DIRECTIONA	LLY (	OR HORI	IZONTALLY		торс	OGRAPHI	CAL MAI	•				
NAME G	na Becker			TI	T <b>LE</b> Regu	ulatory Analys	t II			PHON	<b>E</b> 720 929-6086				
SIGNAT	JRE			DA	<b>ATE</b> 08/1	10/2011				EMAIL	. gina.becker@anadar	ko.com			
	iber assigni) 14751820(			AF	PPROVAL	L				Perr	nit Manager				

NBU 1022-2J Pad Drilling Program
1 of 7

# Kerr-McGee Oil & Gas Onshore. L.P.

#### NBU 1022-2H4CS

Surface: 2351 FSL / 1584 FEL NWSE BHL: 2406 FNL / 493 FEL SENE

Section 2 T10S R22E

Uintah County, Utah Mineral Lease: ST UT ML 22651

#### **ONSHORE ORDER NO. 1**

#### **DRILLING PROGRAM**

# Estimated Tops of Important Geologic Markers: Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 - Surface	
Green River	1107	
Birds Nest	1367	Water
Mahogany	1731	Water
Wasatch	4160	Gas
Mesaverde	6400	Gas
MVU2	7344	Gas
MVL1	7945	Gas
TVD	8575	
TD	8769	

# 3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please refer to the attached Drilling Program

#### 4. <u>Proposed Casing & Cementing Program:</u>

Please refer to the attached Drilling Program

# 5. <u>Drilling Fluids Program</u>:

Please refer to the attached Drilling Program

# 6. <u>Evaluation Program</u>:

Please refer to the attached Drilling Program

NBU 1022-2J Pad Drilling Program 2 of 7

#### 7. <u>Abnormal Conditions</u>:

Maximum anticipated bottom hole pressure calculated at 8575' TVD, approximately equals 5,488 psi 0.64 psi/ft = actual bottomhole gradient

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 3,589 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

#### 8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

#### 9. <u>Variances:</u>

Please refer to the attached Drilling Program. Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- Blowout Prevention Equipment (BOPE) requirements;
- · Mud program requirements; and
- Special drilling operation (surface equipment placement) requirements associated with air drilling.

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

#### Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

NBU 1022-2J Pad Drilling Program
3 of 7

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 11 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

#### Variance for BOPE Requirements

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

#### Variance for Mud Material Requirements

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

#### Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and

NBU 1022-2J Pad Drilling Program
4 of 7

on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

#### Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

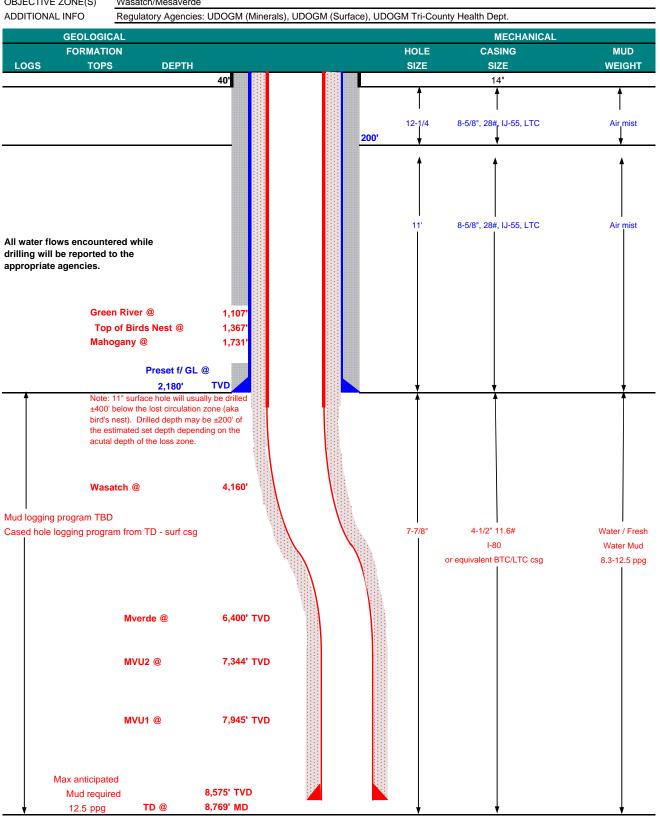
#### 10. Other Information:

Please refer to the attached Drilling Program.



# KERR-McGEE OIL & GAS ONSHORE LP <u>DRILLING PROGRAM</u>

August 9, 2011 COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE NBU 1022-2H4CS WELL NAME 8,575' TVD 8,769' MD TD 5037.7 COUNTY Uintah FINISHED ELEVATION **FIELD** Natural Buttes STATE Utah SURFACE LOCATION **NWSE** 2351 FSL 1584 FEL Sec 2 T 10S R 22E -109.402641 Latitude: 39.977185 Longitude: NAD 27 BTM HOLE LOCATION SENE 2406 FNL 493 FEL Sec 2 T 10S R 22E Latitude: 39.978682 -109.398753 NAD 27 Longitude: OBJECTIVE ZONE(S) Wasatch/Mesaverde





#### **KERR-McGEE OIL & GAS ONSHORE LP**

#### **DRILLING PROGRAM**

CASING PROGRAM	<u>1</u>								DESIGN I	FACTORS	
										LTC	BTC
	SIZE	INT	ERVAL		WT.	GR.	CPLG.	BURST	COLLA	PSE	TENSION
CONDUCTOR	14"	(	0-40'								
								3,390	1,880	348,000	N/A
SURFACE	8-5/8"	0	to	2,180	28.00	IJ-55	LTC	2.48	1.84	6.51	N/A
								7,780	6,350	279,000	367,000
PRODUCTION	4-1/2"	0	to	8,769	11.60	I-80	LTC/BTC	1.11	1.14	3.39	4.46

**Surface Casing:** 

(Burst Assumptions: TD = 12.5 ppg) 0.73 psi/ft = frac gradient @ surface shoe

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

Production casing:

(Burst Assumptions: Pressure test with 8.4ppg @ 7000 psi) 0.64 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

#### **CEMENT PROGRAM**

	FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	Г	YIELD
SURFACE LEAD	500'	Premium cmt + 2% CaCl	180	60%	15.80		1.15
Option 1		+ 0.25 pps flocele					
TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	270	0%	15.80		1.15
		+ 2% CaCl + 0.25 pps flocele					
SURFACE		NOTE: If well will circulate water to	o surface,	option 2 wil	l be utilized		
Option 2 LEAD	1,680'	65/35 Poz + 6% Gel + 10 pps gilsonite	160	35%	11.00		3.82
		+ 0.25 pps Flocele + 3% salt BWOW					
TAIL	500'	Premium cmt + 2% CaCl	150	35%	15.80		1.15
		+ 0.25 pps flocele					
TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80		1.15
PRODUCTION LEAD	3,659'	Premium Lite II +0.25 pps	270	20%	11.00		3.38
		celloflake + 5 pps gilsonite + 10% gel					
		+ 0.5% extender					
TAIL	5,110'	50/50 Poz/G + 10% salt + 2% gel	1,210	35%	14.30		1.31
		+ 0.1% R-3					

 $<sup>{}^{\</sup>star}$ Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

#### **FLOAT EQUIPMENT & CENTRALIZERS**

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. No centralizers will be used.

#### ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

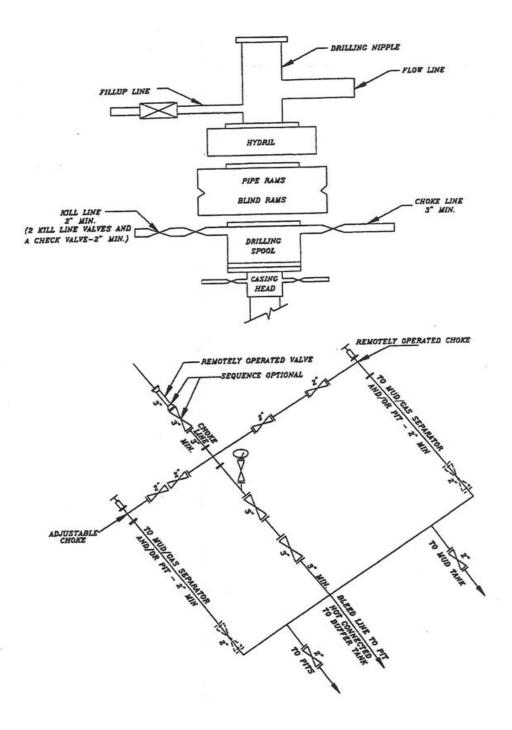
BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Surveys will be taken at 1,000' minimum intervals.
Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

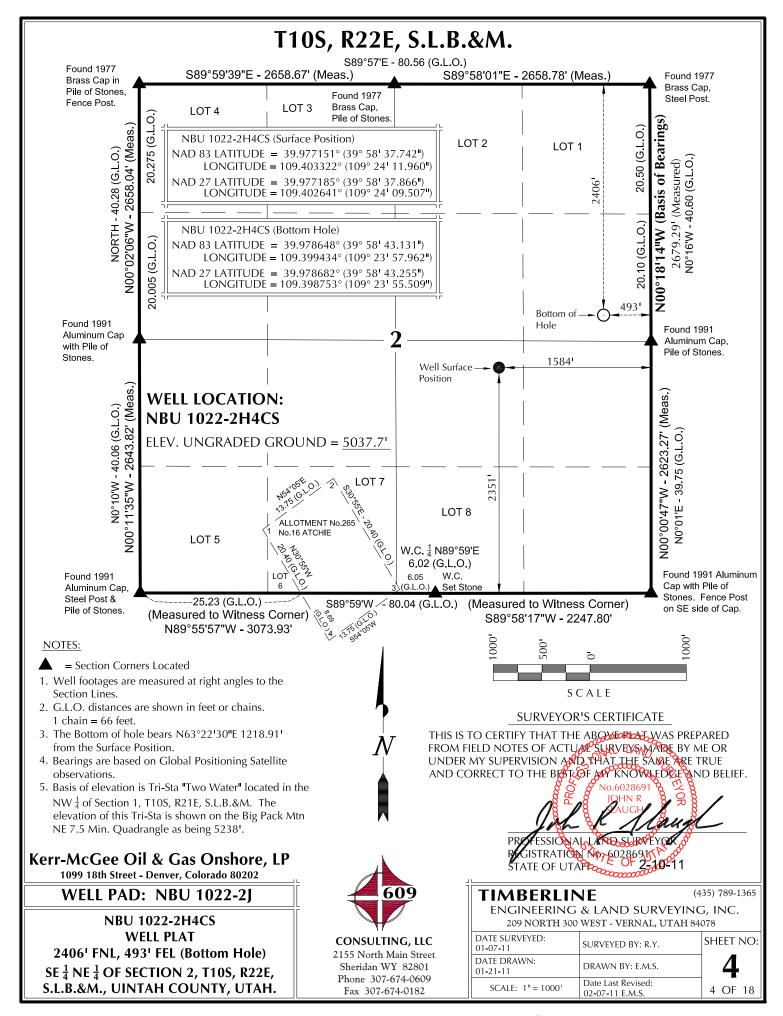
DRILLING	ENGINEER:		DATE:	
		Nick Spence / Danny Showers	_	
DRILLING	SUPERINTENDENT:	,	DATE:	
		Kenny Gathings / Lovel Young	_	·

<sup>\*</sup>Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

EXHIBIT A
NBU 1022-2H4CS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK



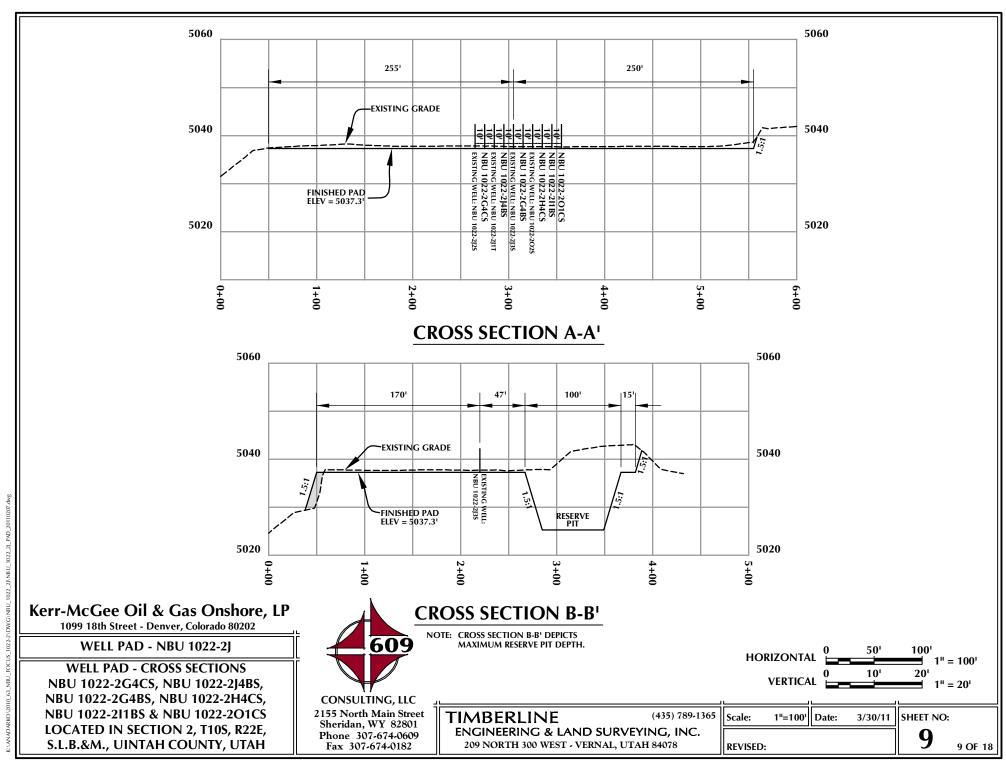
WELL NAME			SURFACE P							OTTOM HOLE		
	NAI LATITUDE	D83 LONGITI	UDE LATIT	NAD27	ONGITUDE	FOOTAGES	LATIT	NAD	83 LONGITUDE	NAD2 LATITUDE	27 LONGITUDE	FOOTAGES
NBU	39°58'37.977"	109°24'12	.668" 39°58'3	8.101" 109	9°24'10.215"	2375¹ FSL	39°58'4	1.547"	109°24'14.904"	39°58'41.671"   1	09°24'12.451"	
1022-2G4CS NBU	39.977216° 39°58'37.899"	109.40351	9° 39.9772 .432" 39°58'3		9.402837° 9°24'09.979"	1639' FEL 2367' FSL	39.9782 39°58'3		109.404140° 109°24'14.877"		09.403459° 09°24'12.424"	1813' FEL 1741' FSL
1022-2J4BS NBU	39.977194° 39°58'37.820"	109.40345		228° 109	9.402772° 9°24'09.743"	1621¹ FEL	39.9754 39°58'4	176°	109.404132° 109°24'14.937"	39.975510° 1	09.403451° 09°24'12.484"	1811' FEL
1022-2G4BS	39.977172°	109.40338	8° 39.977	207° 109	9.402706°	2359' FSL 1602' FEL	39.9791	116°	109.404149°	39.979150° 1	09.403468°	2237' FNL 1814' FEL
NBU 1022-2H4CS	39°58'37.742" 39.977151°	109°24'11 109.40332	.960" 39°58'3 2° 39.977		9°24'09.507" 9.402641°	2351' FSL 1584' FEL	39°58'4 39.9786		109°23'57.962" 109.399434°		09°23'55.509" 09.398753°	2406' FNL 493' FEL
NBU 1022-211BS	39°58'37.703" 39.977140°	109°24'11 109.40329	.842" 39°58'3		9°24'09.389" 9.402608°	2347' FSL 1575' FEL	39°58'3 39.9777		109°23'57.946" 109.399429°		09°23'55.494" 09.398748°	2572' FSL 493' FEL
NBU	39°58'37.664"	109°24'11	.725" 39°58'3	7.787" 109	9°24'09.272"	23431 FSL	39°58'2	1.892"	109°24'14.844"	39°58'22.015"   1	09°24'12.391"	747' FSL
1022-2O1CS CIGE 10	39.977129° 39°58'38.437"	109.40325 109°24'12	.846" 39.977 .846" 39°58'3		9.402575° 9°24'10.393"	1566' FEL 2422' FSL	39.9727	/48°	109.404123°	39.972782° 1	09.403442°	1808' FEL
NBU	39.977344° 39°58'38.015"	109.40356 109°24'12			9.402887° 9°24'10.332"	1653 <sup>1</sup> FEL 2379 <sup>1</sup> FSL						
1022-2J2S NBU	39.977226° 39°58'37.937"	109.40355	2° 39.977	261° 109	9.402870°	1648¹ FEL	-		90.	_0		-09
1022-2J1T	39.977205°	109.40348	6° 39.977	239° 109	9°24'10.098" 9.402805°	2371' FSL 1630' FEL						
NBU 1022-2J3S	39°58'37.859" 39.977183°	109°24'12  109.40342	.313"   39°58'3 :0°   39.977;		9°24'09.860" 9.402739°	2363' FSL 1612' FEL				SCALE		
NBU 1022-2O2S	39°58'37.780" 39.977161°	109°24'12 109.40335	.077" 39°58'3		9°24'09.624" 9.402673°	2355' FSL 1593' FEL						
1022 2025	100,007,101	1103:10333		1.2.	ORDINATES -		Position	to Botto	m Hole			
WELL NAME NBU	NORTH	EAST	WELL NAMI			NIDIT	NAME	NORT		WELL NAME NBU		EAST
1022-2G4CS	361.31	-174.4'	1022-2J4BS	-626.		1022-2	2G4BS	708.	1' -213.9'	1022-2H4CS	546.31	1,089.7'
WELL NAME NBU	NORTH	EAST	WELL NAMI		TH EAST		A	vz. to Exi		O2S W.H.=113.30 1022-2O2S W.H		IU 31
1022-211BS	225.2	1,081.91	1022-2O1C	-1,596	5.5' -241.	8	0.7	7.48917°30.1'		. NBU 1022-2025		
		34.7	(To Bottom Hole)	(To Bour 739.73)	MARKER: CIGET	22.28. 18. 18. 18. 18. 18. 18. 18. 18. 18. 1	2/35 2/35 103 103	25 V VIII	2025 W.H. 292.29361° 9.91 2025 W.H. 293.0492° 10.11 2025 W.H. 293.0492° 19.91	.∧	T	
Dry Hole below gra with meta BASIS OF E THE NE <sup>1</sup> / <sub>4</sub> C S.L.B.&M. ' GLOBAL P	r the Existing C Marker has be de. Position d Il detector. BEARINGS IS T OF SECTION 2 WHICH IS TA OSITIONING TIONS TO BEA	CIGE 10 een cut-off etermined  THE EAST I 2, T10S, R2 KEN FROM SATELLITE AR N00°18  AZ=	LINE OF 2E, 4 :: 196.8738	739.73 Ada Ada Ada	SEXISTING OF THE STATE OF THE S	(S/S/) (S/S/) (S/S/) (S/S/) (S/S/) (S/S/) (S/S/) (S/S/) (S/S/S/S/S/) (S/S/S/S/S/S/S/S/S/S/S/S/S/S/S/S/S/S/S/	1022-2H4CS & 1023-2110-35 & 1023-2H4CS & 1023-2H4CS	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	1022-2035 W.H. 1022-2035 W.H. 1022-2035 W.H.	AZ=63.3750 AZ=63.3750 (To Bottom AZ=78.2 (To Bottom	1105.13	
Casing for Dry Hole below grawith meta  BASIS OF E THE NE 4 C S.L.B.&M. GLOBAL P	Marker has be de. Position d Il detector. BEARINGS IS T DE SECTION 2 WHICH IS TA OSITIONING TIONS TO BEA	CIGE 10 een cut-off etermined  THE EAST I 2, T10S, R2 KEN FROM SATELLITE AR N00°18  AZ= (To E S16°52'2  AZ= (To B	LINE OF 2E, 4 :: 1'14"W.	739.73 19° le) 54.46'-	SOLING WEING	KNST, 1022, 75 ELL. BU TNG WELL: NSTN 1022, 204EL. NBS-2 15 TNG 22, 204EL. NBS-2 17 TNG 22, 204E.	1022-2H4CS & 1023-2110-35 & 1023-2H4CS & 1023-2H4CS	$/$ $/$ $< < 20^{-16} S_{A_2} + c_{b_{b_{1}}} c_{b_{b_{2}}} c_{b_{2}} c_{$	1	(To Bottom	1105.13' Hole)	
Casing for Dry Hole below grawith meta BASIS OF ETHE NE & CS.L.B.&M. GLOBAL POBSERVAT	Marker has be de. Position d l detector.  BEARINGS IS TOP SECTION 2 WHICH IS TA OSITIONING TIONS TO BEA	CIGE 10 een cut-off etermined  THE EAST I 2, T10S, R2 KEN FROM SATELLITE AR N00°18  AZ= (To E S16°52'2  AZ= (To B 08°36'46  R Gas C enver, Color	LINE OF 2E, 4 = 196.8738 Sottom Ho 26"W - 6 tottom Ho 5"W - 16 Dnshore, rado 80202	739.73 19° 19° 14.75'—	SEXISTING OF THE STATE OF THE S	NBUTNG 22 TELL: NBUTNG WEBSA OUT OF NOTHER SA NOTHER SA NBUTNG 22 SCHE, NB NBUTNG 22 SCHE, NB	1022-2H4CS & 1023-2110-35 & 1023-2H4CS & 1023-2H4CS	100 × 20105 ×	1	(To Bottom)	1105.13' Hole)	
Casing for Dry Hole below grawith meta BASIS OF ETHE NE 1/4 CS.L.B.&M. GLOBAL POBSERVAT	Marker has be de. Position d il detector.  BEARINGS IS TOF SECTION 2 WHICH IS TA OSITIONING TIONS TO BEA	CIGE 10 een cut-off etermined  THE EAST I 2, T10S, R2 KEN FROM SATELLITE AR N00°18  AZ= (To E S16°52'2  AZ= (To B 08°36'46  R Gas C enver, Color	LINE OF 2E, 4 = 196.8738 Sottom Ho 26"W - 6 tottom Ho 5"W - 16 Dnshore, rado 80202	739.73 19° 19° 14.75'—	SEXISTING OF THE STATE OF THE S	KNST, 1022, 75 ELL. BU TNG WELL: NSTN 1022, 204EL. NBS-2 15 TNG 22, 204EL. NBS-2 17 TNG 22, 204E.	1022-2H4CS & 1023-2110-35 & 1023-2H4CS & 1023-2H4CS		MBERL  MSCO-COLORN SEAS  MBERL	(To Bottom) (70 Bottom) (70 Bottom) (71 3.30250)	1105.13' Hole)	35) 789-1365
Casing for Dry Hole below grawith metal BASIS OF ETHE NE 1/4 CS.L.B.&M. GLOBAL POBSERVATION OBSERVATION OBSERVATIO	Marker has be de. Position d l detector.  BEARINGS IS TOP SECTION 2 WHICH IS TA OSITIONING TIONS TO BEARINGS TO BE	CIGE 10 een cut-off etermined  THE EAST I 2, T10S, R2 KEN FROM SATELLITE AR N00°18  AZ= (To E S16°52'2  AZ= (To B 08°36'46  R Gas C enver, Color  NBU 1  ERFEREN	LINE OF 2E, 4 : 196.8738 Sottom Ho 26"W - 6 : 188.6127 Sottom Ho 20202 O22-2J	89 <sup>AA</sup> ° 139.73 19° 1e) 54.46'- 8° 1e) 14.75'- LP	SEXISTING OF THE STATE OF THE S	NBUTNG 22 TELL: NBUTNG WEBSA OUT OF NOTHER SA NOTHER SA NBUTNG 22 SCHE, NB NBUTNG 22 SCHE, NB	1022-2H4CS & 1023-2110-35 & 1023-2H4CS & 1023-2H4CS		MBERL NGINEERIN	(To Bottom)	1105.13' Hole) (4 URVEYING	35) 789-1365 G, INC.
Casing for Dry Hole below grawith metal BASIS OF ETHE NE 1/4 CS.L.B.&M. GLOBAL POBSERVATION OBSERVATION OBSERVATIO	Marker has be de. Position d l detector.  BEARINGS IS TOP SECTION 2 WHICH IS TA OSITIONING TIONS TO BEARINGS TO BE	CIGE 10 een cut-off etermined  THE EAST I 2, T10S, R2 KEN FROM SATELLITE AR N00°18  AZ= (To E S16°52'2  AZ= (To B 08°36'46  R Gas C enver, Color NBU 1  ERFEREN G4CS, NBU	LINE OF 2E, 4 : 196.8738 Sottom Ho 26"W - 6 : 188.6127 Sottom Ho 2022 O22-2J	89 <sup>AA</sup> ° 139.73 19° 1e) 54.46'- 8° 1e) 14.75'- LP	CONSI	100 100 100 100 100 100 100 100 100 100	NBU 1022.2H4U. NBU 1022.2H4CS NBU 1023.2HACS NBU	DATE	MBERLINGINEERIN 209 NORTH 3	(To Bottom)  173.302500  INE  G & LAND S	Hole)  (4 URVEYING JAL, UTAH 840	35) 789-1365 G, INC.
Casing for Dry Hole below grawith metal BASIS OF ETHE NE 4 CS.L.B.&M. GLOBAL POBSERVATION OBSERVATION	Marker has be de. Position del. Position delector.  BEARINGS IS TOP SECTION 2 WHICH IS TA OSITIONING TIONS TO BEA  BEARINGS IS TOP SECTION 2 WHICH IS TA OSITIONING TIONS TO BEA  LIPAD - PAD INTENBU 1022-20 1022-211BS 8	CIGE 10 een cut-off etermined  THE EAST I 2, T10S, R2 KEN FROM SATELLITE AR N00°18  AZ= (To E S16°52'2  AZ= (To B 08°36'46  AZ= (To B 08°36'46  REFEREN G4CS, NBU NBU 102 NBU 102	LINE OF 2E, 4	89 <sup>AA</sup> ° 139.73 19° 1e) 54.46'- 8° 1e) 14.75'- LP	CONSI 2155 No	609 609 609 609 609 609 609 609	NBU 1022 2H4U 3424 VBU 1022 2H4CS ABU	20 × × × 50 × × × 10 × × × × × × × × × × × × × × ×	MBERL NGINEERIN 209 NORTH 3 SURVEYED: -11 DRAWN:	(To Bottom)  173.302500  INE  G & LAND S  100 WEST - VERN	(4 URVEYINC IAL, UTAH 84(: R.Y.	35) 789-1365 G, INC.
Casing for Dry Hole below grawith metal BASIS OF ETHE NE 4 CS.L.B.&M.* GLOBAL POBSERVATION OBSERVATION OBSERVATION OF THE NEULS - NBUNBULOCA	Marker has be de. Position d l detector.  BEARINGS IS TOP SECTION 2 WHICH IS TA OSITIONING TIONS TO BEA  BEARINGS IS TOP SECTION 2 WHICH IS TA OSITIONING TIONS TO BEA  LUPAD - PAD INTENBU 1022-20 1022-2G4BS,	CIGE 10 een cut-off etermined  THE EAST I 2, T10S, R2 KEN FROM SATELLITE AR N00°18  AZ= (To E S16°52'2  AZ= (To B 08°36'46  R Gas C enver, Color NBU 1 ERFEREN G4CS, NBU NBU 102 R NBU 102 R NBU 102 R NBU 102 R NBU 107	LINE OF 2E, 4	89 <sup>AA</sup> ° 139.73 19° 1e) 54.46'- 8° 1e) 14.75'- LP	CONSU 2155 No Sherida Phone	JLTING, LLI rth Main Stre	NBU 102-244CI. NBU 102-244CI. NBU 102-211PCS NBU	79 × 78 70 × 79 70 × 70 ×	MBERL NGINEERIN 209 NORTH 3 SURVEYED: -11 DRAWN:	(To Bottom) (To Bo	(4 URVEYINC JAL, UTAH 840: R.Y.	35) 789-1365 G, INC.

S.L.B.&M., UINTAH COUNTY, UTAH

209 NORTH 300 WEST - VERNAL, UTAH 84078

8 OF 18

**REVISED:** 



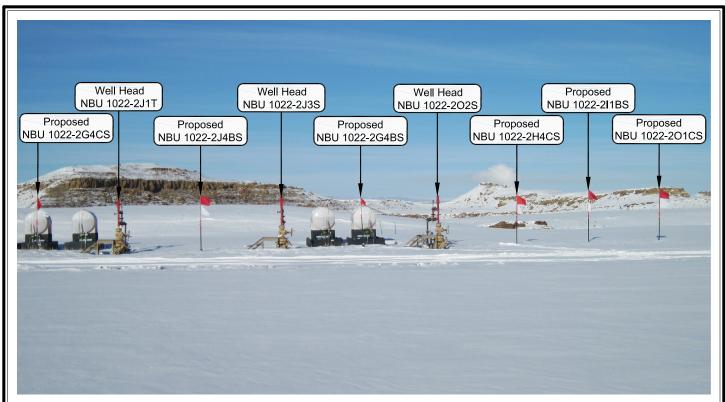


PHOTO VIEW: FROM CORNER 1 TO LOCATION STAKE

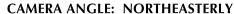




PHOTO VIEW: FROM EXISTING ACCESS ROAD

**CAMERA ANGLE: WESTERLY** 

#### Kerr-McGee Oil & Gas Onshore, LP 1099 18th Street - Denver, Colorado 80202

# **WELL PAD - NBU 1022-2J**

LOCATION PHOTOS
NBU 1022-2G4CS, NBU 1022-2J4BS,
NBU 1022-2G4BS, NBU 1022-2H4CS,
NBU 1022-2I1BS & NBU 1022-2O1CS
LOCATED IN SECTION 2, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH.



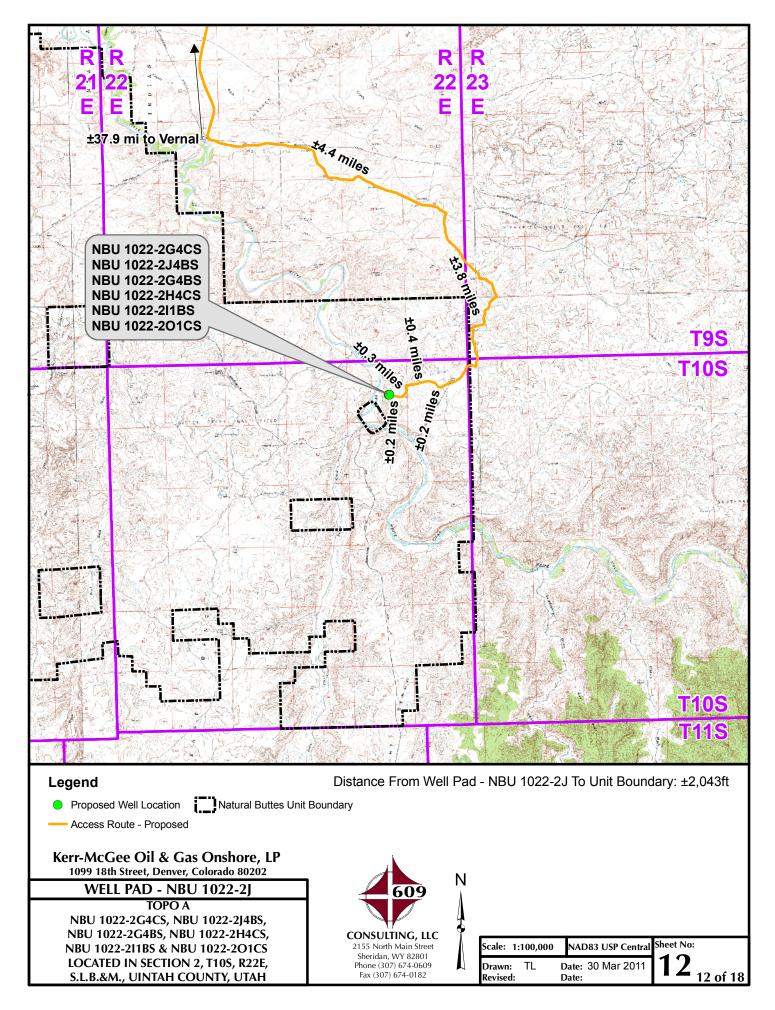
#### CONSULTING, LLC 2155 North Main Street Sheridan WY 82801 Phone 307-674-0609 Fax 307-674-0182

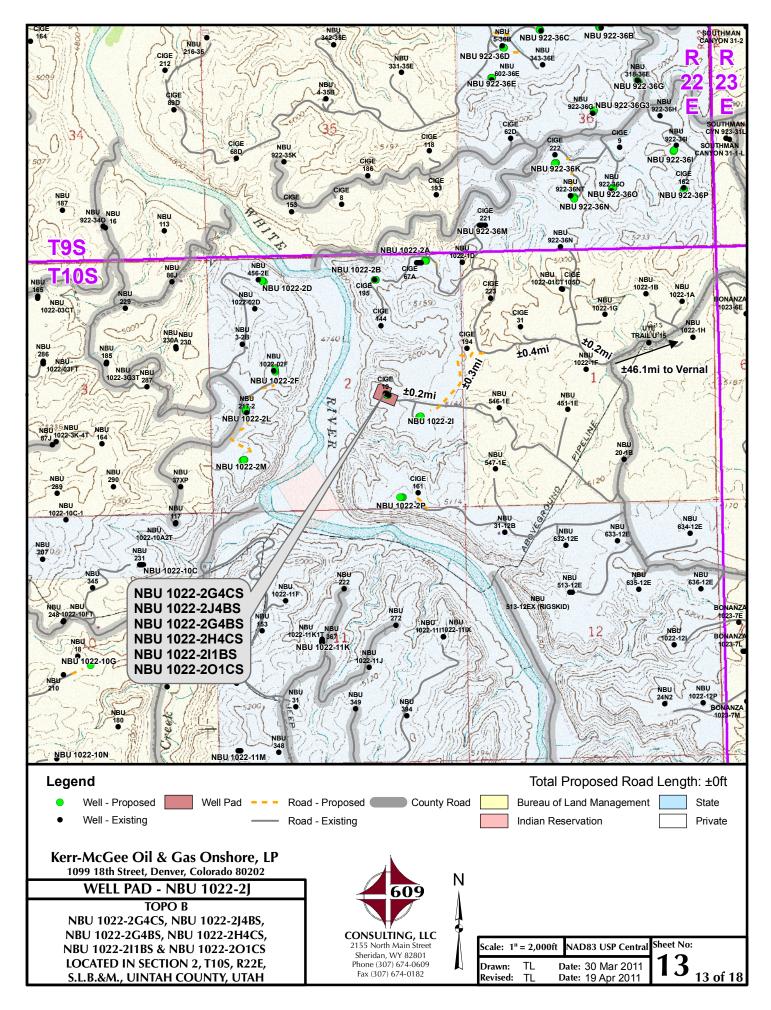
#### **TIMBERLINE**

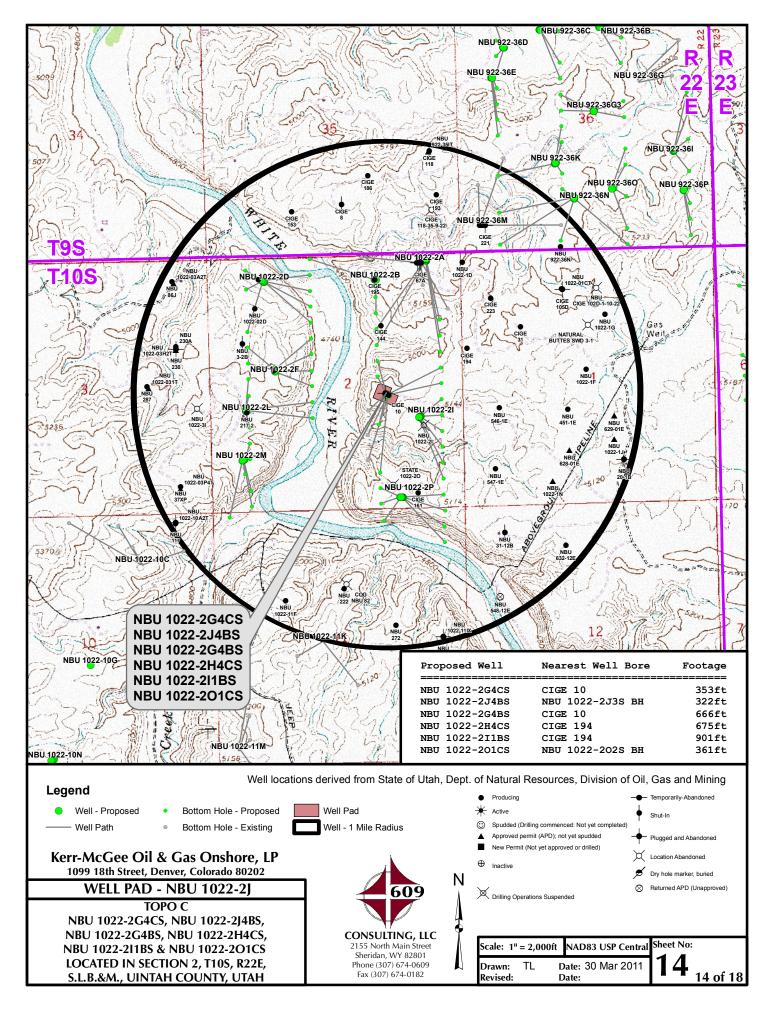
(435) 789-1365

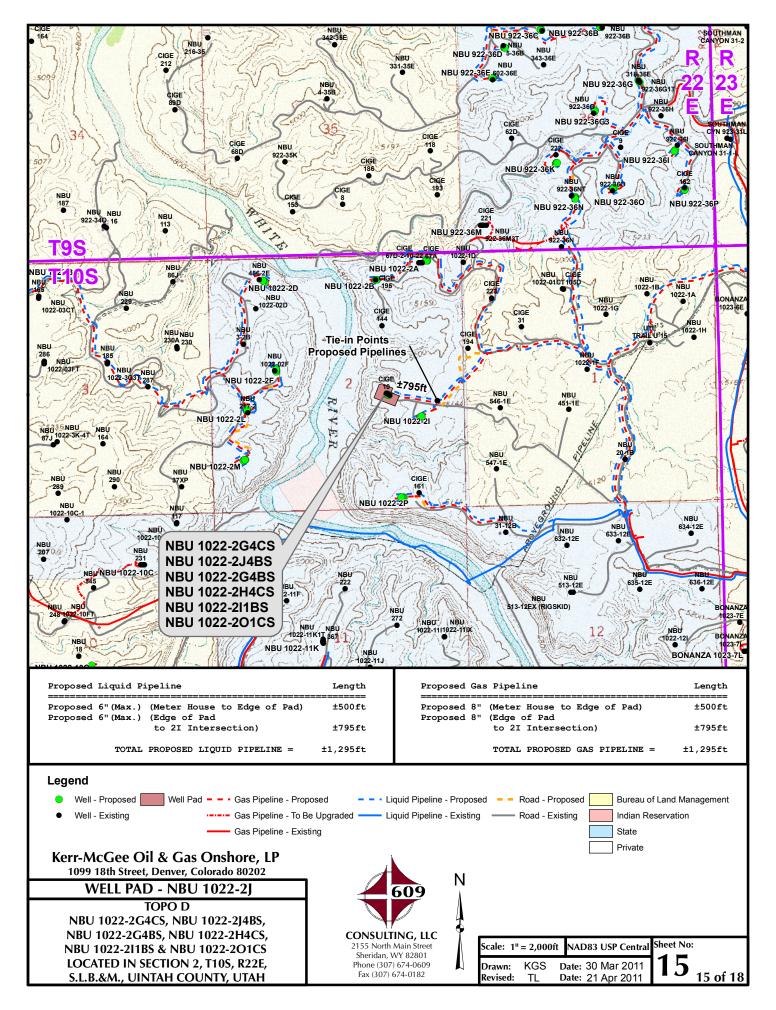
ENGINEERING & LAND SURVEYING, INC. 209 NORTH 300 WEST - VERNAL, UTAH 84078

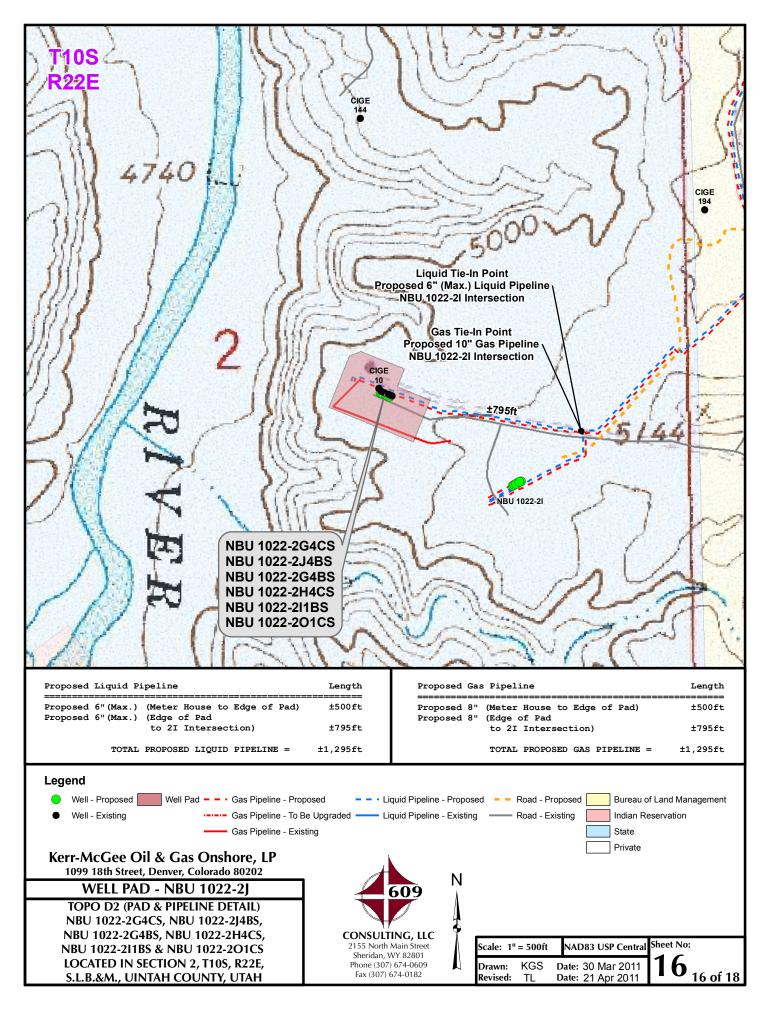
DATE PHOTOS TAKEN: 01-07-11	PHOTOS TAKEN BY: R.Y.	SHEET NO:
DATE DRAWN: 01-21-11	DRAWN BY: E.M.S.	11
Date Last Revised: 02-07-1	1 E.M.S.	11 OF 18

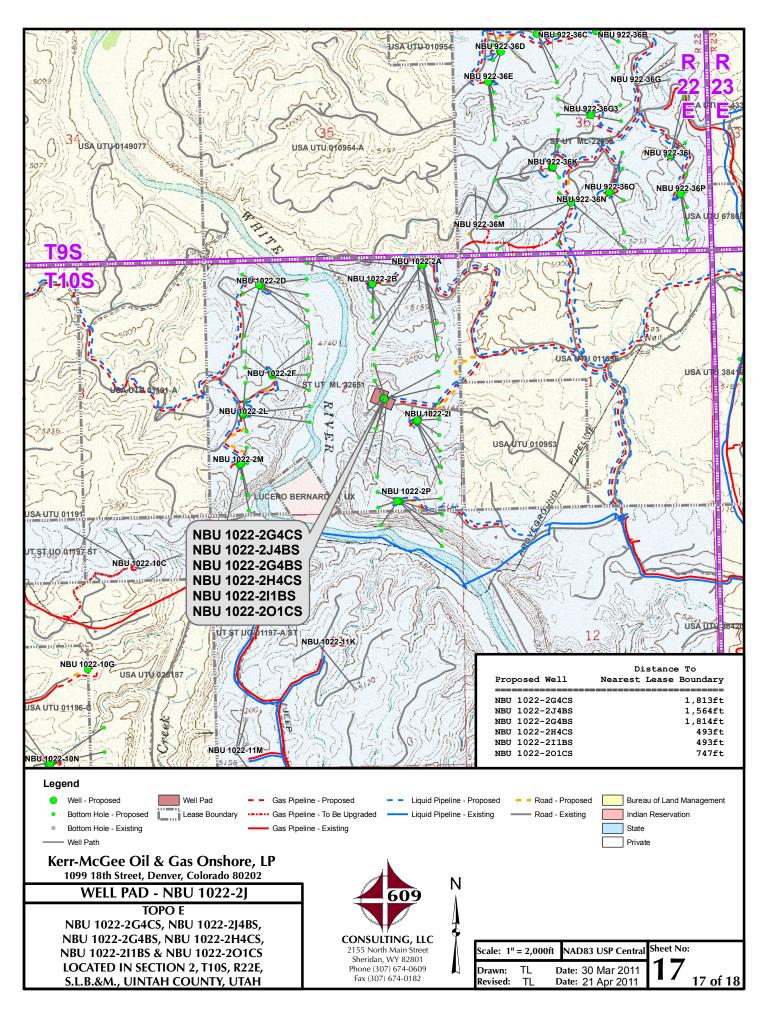












Kerr-McGee Oil & Gas Onshore, LP WELL PAD – NBU 1022-2J WELLS – NBU 1022-2G4CS, NBU 1022-2J4BS, NBU 1022-2G4BS, NBU 1022-2H4CS, NBU 1022-2I1BS & NBU 1022-2O1CS Section 2, T10S, R22E, S.L.B.&M.

From the intersection of U.S. Highway 40 and 500 East Street in Vernal, Utah, proceed in an easterly, then southerly direction along U.S. Highway 40 approximately 3.3 miles to the junction of State Highway 45. Exit right and proceed in a southerly direction along State Highway 45 approximately 20.2 miles to the junction of the Glen Bench Road (County B Road 3260). Exit right and proceed in a southwesterly direction along the Glen Bench Road approximately 14.4 miles to the intersection of the Fidlar Road (County B Road 3410) which road intersection is approximately 400 feet northeast of the Mountain Fuel Bridge at the White River. Exit left and proceed in a southeasterly direction along the Fidlar Road approximately 4.4 miles to the intersection of the Seven Sisters Road (County B Road 3420). Exit right and proceed in a southeasterly then southwesterly direction along the Seven Sisters Road approximately 3.8 miles to a service road to the west. Exit right and proceed in a westerly then northwesterly direction along the service road approximately 0.2 miles to a second service road to the northwest. Exit left and proceed in a northwesterly, then westerly direction along the second service road approximately 0.4 miles to a third service road to the southwest. Exit left and proceed in a southwesterly, then southerly direction along the third service road approximately 0.3 miles to a fourth service road to the west. Exit right and proceed in a westerly direction along the fourth service road approximately 0.2 miles to the proposed well location.

Total distance from Vernal, Utah to the proposed well location is approximately 47.2 miles in a southerly direction.

**SHEET 18 OF 18** 

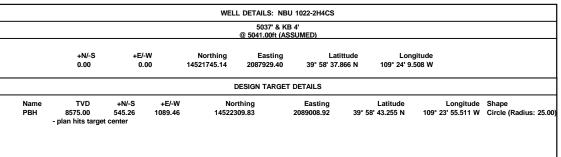
API Well Number: 430475182000@oject: Uintah County, UT UTM12 Scientific Drilling Rocky Mountain Operations

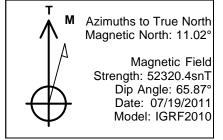
Site: NBU 1022-2J PAD Well: NBU 1022-2H4CS

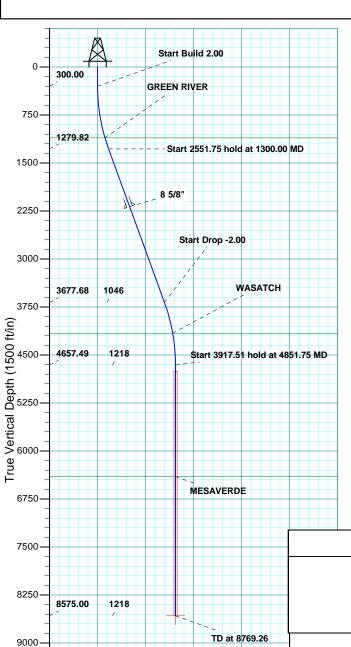
Wellbore: OH

Design: PLAN #1 PRELIMINARY









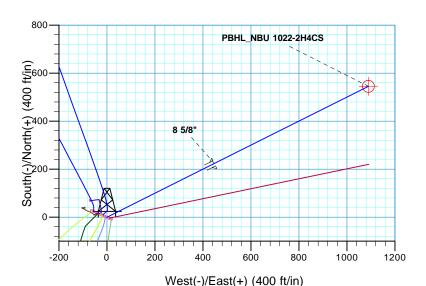
1500

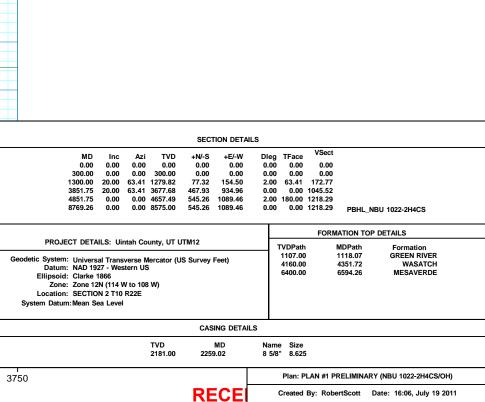
Vertical Section at 63.41° (1500 ft/in)

9750

10500

-750







# **Kerr McGee Oil and Gas Onshore LP**

Uintah County, UT UTM12 NBU 1022-2J PAD NBU 1022-2H4CS

ОН

Plan: PLAN #1 PRELIMINARY

# **Standard Planning Report**

19 July, 2011



**RECEIVED:** August 10, 2011



Project:

Site:

Design:

# SDI Planning Report



EDM5000-RobertS-Local Database:

Company: Kerr McGee Oil and Gas Onshore LP

Uintah County, UT UTM12

NBU 1022-2J PAD

**Local Co-ordinate Reference: TVD Reference:** 

Well NBU 1022-2H4CS

GL 5037' & KB 4'

GL 5037' & KB 4'

@ 5041.00ft (ASSUMED) MD Reference:

GL 5037' & KB 4' GL 5037' & KB 4'

@ 5041.00ft (ASSUMED)

North Reference: True

NBU 1022-2H4CS Well: **Survey Calculation Method:** Wellbore: ОН

Minimum Curvature

Project Uintah County, UT UTM12

Map System: Universal Transverse Mercator (US Survey Feet)

PLAN #1 PRELIMINARY

System Datum: Mean Sea Level

NAD 1927 - Western US Geo Datum: Map Zone: Zone 12N (114 W to 108 W)

Site NBU 1022-2J PAD, SECTION 2 T10 R22E

Northing: 14,521,767.83 usft Latitude: 39° 58' 38.100 N Site Position: Lat/Long 2,087,874.06 usft Longitude: 109° 24' 10.213 W From: Easting: **Position Uncertainty:** 0.00 ft Slot Radius: 13.200 in Grid Convergence: 1.03

Well NBU 1022-2H4CS, 2351 FSL 1584 FEL **Well Position** 14,521,745.15 usft 39° 58' 37.866 N +N/-S -23.67 ft Northing: Latitude: 109° 24' 9.508 W +E/-W 54.92 ft Easting: 2,087,929.40 usft Longitude: **Position Uncertainty** 0.00 ft Wellhead Elevation: Ground Level: 5,037.00 ft

Wellbore ОН Sample Date Declination Dip Angle Field Strength Magnetics **Model Name** (°) (°) (nT) IGRF2010 07/19/11 11.02 65.87 52,320

Design PLAN #1 PRELIMINARY Audit Notes: PLAN 0.00 Version: Phase: Tie On Depth: Direction Vertical Section: Depth From (TVD) +N/-S +E/-W (ft) (ft) (ft) (°) 0.00 0.00 0.00 63.41

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,300.00	20.00	63.41	1,279.82	77.32	154.50	2.00	2.00	0.00	63.41	
3,851.75	20.00	63.41	3,677.68	467.93	934.96	0.00	0.00	0.00	0.00	
4,851.75	0.00	0.00	4,657.49	545.26	1,089.46	2.00	-2.00	0.00	180.00	
8,769.26	0.00	0.00	8,575.00	545.26	1,089.46	0.00	0.00	0.00	0.00 F	PBHL_NBU 1022-2H



Company:

Site:

# SDI **Planning Report**



EDM5000-RobertS-Local Database:

Kerr McGee Oil and Gas Onshore LP

NBU 1022-2J PAD

Local Co-ordinate Reference:

**Survey Calculation Method:** 

GL 5037' & KB 4'

TVD Reference:

GL 5037' & KB 4'

Well NBU 1022-2H4CS

MD Reference:

@ 5041.00ft (ASSUMED) GL 5037' & KB 4'

GL 5037' & KB 4' @ 5041.00ft (ASSUMED)

North Reference:

Minimum Curvature

Uintah County, UT UTM12 Project:

Well: NBU 1022-2H4CS

Wellbore:

Design: PLAN #1 PRELIMINARY

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00 100.00 200.00 300.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 100.00 200.00 300.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
Start Build 2									
400.00	2.00	63.41	399.98	0.78	1.56	1.75	2.00	2.00	0.00
500.00 600.00 700.00 800.00 900.00	4.00 6.00 8.00 10.00 12.00	63.41 63.41 63.41 63.41 63.41	499.84 599.45 698.70 797.47 895.62	3.12 7.02 12.48 19.48 28.02	6.24 14.03 24.93 38.92 55.98	6.98 15.69 27.88 43.52 62.60	2.00 2.00 2.00 2.00 2.00	2.00 2.00 2.00 2.00 2.00	0.00 0.00 0.00 0.00 0.00
1,000.00 1,100.00 1,118.07	14.00 16.00 16.36	63.41 63.41 63.41	993.06 1,089.64 1,107.00	38.09 49.67 51.92	76.10 99.24 103.75	85.10 110.98 116.01	2.00 2.00 2.00 2.00	2.00 2.00 2.00 2.00	0.00 0.00 0.00 0.00
GREEN RIVE		33.17	.,	31.02	.55.75	. 70.01	2.00	2.00	2.00
1,200.00 1,300.00	18.00 20.00	63.41 63.41	1,185.27 1,279.82	62.75 77.32	125.39 154.50	140.21 172.77	2.00 2.00	2.00 2.00	0.00 0.00
Start 2551.75	5 hold at 1300.00	) MD							
1,400.00 1,500.00 1,600.00 1,700.00 1,800.00	20.00 20.00 20.00 20.00 20.00	63.41 63.41 63.41 63.41 63.41	1,373.78 1,467.75 1,561.72 1,655.69 1,749.66	92.63 107.94 123.25 138.55 153.86	185.08 215.67 246.25 276.84 307.42	206.97 241.17 275.37 309.58 343.78	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
1,900.00 2,000.00 2,100.00 2,200.00 2,259.02	20.00 20.00 20.00 20.00 20.00	63.41 63.41 63.41 63.41 63.41	1,843.63 1,937.60 2,031.57 2,125.54 2,181.00	169.17 184.48 199.78 215.09 224.13	338.01 368.60 399.18 429.77 447.82	377.98 412.18 446.38 480.59 500.77	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
8 5/8"									
2,300.00 2,400.00 2,500.00 2,600.00 2,700.00	20.00 20.00 20.00 20.00 20.00	63.41 63.41 63.41 63.41	2,219.51 2,313.48 2,407.45 2,501.42 2,595.39	230.40 245.71 261.01 276.32 291.63	460.35 490.94 521.52 552.11 582.69	514.79 548.99 583.19 617.39 651.60	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
2,800.00 2,900.00 3,000.00 3,100.00 3,200.00	20.00 20.00 20.00 20.00 20.00	63.41 63.41 63.41 63.41 63.41	2,689.35 2,783.32 2,877.29 2,971.26 3,065.23	306.94 322.24 337.55 352.86 368.17	613.28 643.86 674.45 705.03 735.62	685.80 720.00 754.20 788.40 822.61	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
3,300.00 3,400.00 3,500.00 3,600.00 3,700.00	20.00 20.00 20.00 20.00 20.00	63.41 63.41 63.41 63.41	3,159.20 3,253.17 3,347.14 3,441.11 3,535.08	383.47 398.78 414.09 429.39 444.70	766.20 796.79 827.37 857.96 888.55	856.81 891.01 925.21 959.41 993.62	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
3,800.00 3,851.75 <b>Start Drop -2</b>	20.00 20.00 2.00	63.41 63.41	3,629.05 3,677.68	460.01 467.93	919.13 934.96	1,027.82 1,045.52	0.00 0.00	0.00 0.00	0.00 0.00
3,900.00 4,000.00 4,100.00	19.04 17.04 15.04	63.41 63.41 63.41	3,723.15 3,818.24 3,914.34	475.15 489.00 501.36	949.37 977.06 1,001.76	1,061.64 1,092.60 1,120.22	2.00 2.00 2.00	-2.00 -2.00 -2.00	0.00 0.00 0.00



# SDI **Planning Report**



EDM5000-RobertS-Local Database:

Company: Kerr McGee Oil and Gas Onshore LP Local Co-ordinate Reference:

**Survey Calculation Method:** 

GL 5037' & KB 4'

TVD Reference:

GL 5037' & KB 4'

Well NBU 1022-2H4CS

Uintah County, UT UTM12 MD Reference:

@ 5041.00ft (ASSUMED) GL 5037' & KB 4'

GL 5037' & KB 4'

@ 5041.00ft (ASSUMED)

North Reference:

Minimum Curvature

NBU 1022-2J PAD Site:

NBU 1022-2H4CS Wellbore: ОН

Project:

Well:

Design: PLAN #1 PRELIMINARY

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,200.00	13.04	63.41	4,011.35	512.22	1,023.44	1,144.47	2.00	-2.00	0.00
4,300.00	11.04	63.41	4,109.15	521.55	1,042.09	1,165.32	2.00	-2.00	0.00
4,351.72	10.00	63.41	4,160.00	525.77	1,050.53	1,174.76	2.00	-2.00	0.00
WASATCH									
4,400.00	9.04	63.41	4,207.61	529.35	1,057.67	1,182.74	2.00	-2.00	0.00
4,500.00	7.04	63.41	4,306.62	535.60	1,070.17	1,196.72	2.00	-2.00	0.00
4,600.00	5.04	63.41	4,406.07	540.31	1,079.57	1,207.23	2.00	-2.00	0.00
4,700.00	3.04	63.41	4,505.81	543.46	1,085.86	1,214.27	2.00	-2.00	0.00
4,800.00	1.04	63.41	4,605.74	545.05	1,089.04	1,217.82	2.00	-2.00	0.00
4,851.75	0.00	0.00	4,657.49	545.26	1,089.46	1,218.29	2.00	-2.00	0.00
	1 hold at 4851.75								
4,900.00	0.00	0.00	4,705.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
5,000.00	0.00	0.00	4,805.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
5,100.00	0.00	0.00	4,905.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
5,200.00	0.00	0.00	5,005.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
5,300.00	0.00	0.00	5,105.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
5,400.00	0.00	0.00	5,205.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
5,500.00	0.00	0.00	5,305.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
5,600.00	0.00	0.00	5,405.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
5,700.00	0.00	0.00	5,505.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
5,800.00	0.00	0.00	5,605.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
5,900.00	0.00	0.00	5,705.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
6,000.00	0.00	0.00	5,805.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
6,100.00	0.00	0.00	5,905.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
6,200.00	0.00	0.00	6,005.74 6,105.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
6,300.00 6,400.00	0.00 0.00	0.00 0.00	6,205.74	545.26 545.26	1,089.46 1,089.46	1,218.29 1,218.29	0.00 0.00	0.00 0.00	0.00 0.00
•									
6,500.00	0.00	0.00	6,305.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
6,594.26 <b>MESAVERD</b>	0.00	0.00	6,400.00	545.26	1,089.46	1,218.29	0.00	0.00	0.00
6,600.00	0.00	0.00	6,405.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
6,700.00	0.00	0.00	6,505.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
6,800.00	0.00	0.00	6,605.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
6,900.00	0.00	0.00	6,705.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
7,000.00	0.00	0.00	6,805.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
7,100.00	0.00	0.00	6,905.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
7,200.00	0.00	0.00	7,005.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
7,300.00	0.00	0.00	7,105.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
7,400.00	0.00	0.00	7,205.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
7,500.00	0.00	0.00	7,305.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
7,600.00	0.00	0.00	7,405.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
7,700.00	0.00	0.00	7,505.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
7,800.00	0.00	0.00	7,605.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
7,900.00	0.00	0.00	7,705.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
8,000.00	0.00	0.00	7,805.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
8,100.00	0.00	0.00	7,905.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
8,200.00	0.00	0.00	8,005.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
8,300.00	0.00	0.00	8,105.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
8,400.00	0.00	0.00	8,205.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00



# SDI **Planning Report**



Database: Company:

Project:

Site:

Well:

Wellbore:

EDM5000-RobertS-Local

Uintah County, UT UTM12

NBU 1022-2J PAD

NBU 1022-2H4CS

Kerr McGee Oil and Gas Onshore LP

Local Co-ordinate Reference:

TVD Reference:

Well NBU 1022-2H4CS

GL 5037' & KB 4' GL 5037' & KB 4'

@ 5041.00ft (ASSUMED) MD Reference:

GL 5037' & KB 4'

GL 5037' & KB 4'

@ 5041.00ft (ASSUMED)

North Reference: True

**Survey Calculation Method:** 

Minimum Curvature

Design: PLAN #1 PRELIMINARY

nned Survey  Measured  Depth  (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
8,500.00	0.00	0.00	8,305.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
8,600.00	0.00	0.00	8,405.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
8,700.00	0.00	0.00	8,505.74	545.26	1,089.46	1,218.29	0.00	0.00	0.00
8,769.26	0.00	0.00	8,575.00	545.26	1,089.46	1,218.29	0.00	0.00	0.00
TD at 8769.2	6 - PBHL NBU 1	022-2H4CS							

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL_NBU 1022-2H4C - plan hits target cent - Circle (radius 25.00	ter	0.00	8,575.00	545.26	1,089.46	14,522,309.83	2,089,008.91	39° 58' 43.255 N	109° 23' 55.511 W

Casing Points						
	Measured	Vertical		Casing	Hole	
	Depth	Depth		Diameter	Diameter	
	(ft)	(ft)	Name	(in)	(in)	
	2,259.02	2,181.00 8 5/8"		8.625	11.000	

Formations							
	Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
	1,118.07	1,107.00	GREEN RIVER				
	4,351.72	4,160.00	WASATCH				
	6,594.26	6,400.00	MESAVERDE				

Plan Annotations						
Measured	Vertical	Local Coor	dinates			
Depth	Depth	+N/-S	+E/-W	0		
(ft)	(ft)	(ft)	(ft)	Comment		
300.00	300.00	0.00	0.00	Start Build 2.00		
1,300.00	1,279.82	77.32	154.50	Start 2551.75 hold at 1300.00 MD		
3,851.75	3,677.68	467.93	934.96	Start Drop -2.00		
4,851.75	4,657.49	545.26	1,089.46	Start 3917.51 hold at 4851.75 MD		
8,769.26	8,575.00	545.26	1,089.46	TD at 8769.26		

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_	NBU 1022-2G4BS	_	
Surface:	2359 FSL / 1602 FEL	NWSE	Lot
BHL:	2237 FNL / 1814 FEL	SWNE	Lot
_	NBU 1022-2G4CS	_	
Surface:	2375 FSL / 1639 FEL	NWSE	Lot
BHL:	2568 FNL / 1813 FEL	SWNE	Lot
	NBU 1022-2H4CS		
Surface:	2351 FSL / 1584 FEL	NWSE	Lot
BHL:	2406 FNL / 493 FEL	SENE	Lot
	NBU 1022-211BS		
Surface:	2347 FSL / 1575 FEL	NWSE	Lot
BHL:	2572 FSL / 493 FEL	NESE	Lot
	NBU 1022-2J4BS		
Surface:	2367 FSL / 1621 FEL	NWSE	Lot
BHL:	1741 FSL / 1811 FEL	NWSE	Lot
	NBU 1022-201CS		
Surface:	2343 FSL / 1566 FEL	NWSE	Lot
BHL:	747 FSL / 1808 FEL	SWSE	Lot 8

Pad: NBU 1022-2J PAD Section 2 T10S R22E Mineral Lease: ST UT ML 22651

Uintah County, Utah

Operator: Kerr-McGee Oil & Gas Onshore LP

This SUPO contains surface operating procedures for Kerr-McGee Oil & Gas Onshore LP (KMG), a wholly owned subsidiary of Anadarko Petroleum Corporation (APC) pertaining to actions that involve the State of Utah School and Institutional Trust Lands Administration (SITLA) in the development of minerals leased to APC/KMG (including but not limited to, APDs/SULAs/ROEs/ROWs and/or easements.)

See associated Utah Division of Oil, Gas, and Mining (UDOGM) Form 3(s), plats, maps, and other attachments for site-specific information on projects represented herein.

NBU 1022-2G4BS/ 1022-2G4CS/ 1022-2H4CS/ 1022-2I1BS 1022-2J4BS/ 1022-2O1CS

Surface Use Plan of Operations 2 of 9

In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, these wells will be directionally drilled. Refer to Topo Map A for directions to the location and Topo Maps A and B for location of access roads within a 2-mile radius.

#### A. <u>Existing Roads</u>:

Existing roads consist of county and improved/unimproved lease roads. KMG will maintain existing roads in a condition that is the same as or better than before operations began and in a safe and usable condition. Maintenance of existing roads will continue until final abandonment and reclamation of well pads and/or other facilities. The road maintenance may include, but is not limited to, blading, ditching, culvert installation/cleanout, surfacing, and dust control.

Typically, roads, gathering lines and electrical distribution lines will occupy common disturbance corridors and roadways will be used as working space. All disturbances located in the same corridor will overlap each other to the maximum extent possible; in no case will the maximum disturbance width of the access road and utility corridors exceed 50', unless otherwise approved.

#### **B.** Planned Access Roads:

No new access road is proposed. (see Topo Map B). Applicable Uintah County encroachment and/or pipeline crossing permits will be obtained prior to construction/development. No other pipelines will be crossed at this location.

If there are roads that are new or to be reconstructed, they will be located, designed, and maintained to meet the standards of SITLA and other commonly accepted Best Management Practices (BMPs). If a new road/corridor were to cross a water of the United States, KMG will adhere to the requirements of applicable Nationwide or Individual Permits of the Department of Army Corps of Engineers.

During the onsite, turnouts, major cut and fills, culverts, bridges, gates, cattle guards, low water crossings, or modifications needed to existing infrastructure/facilities were determined, as applicable, are typically shown on attached Exhibits and Topo maps.

## C. Location of Existing and Proposed Facilities:

This pad will expand on existing 4 single wells. The NBU 1022-2J1T well location is a vertical producing well according to Utah Division of Oil, Gas and Mining (UDOGM) records as of June 2, 2011. The NBU 1022-2J2S well location is a directional producing well according to UDOGM records as of June 2, 2011. The NBU 1022-2J3S well location is a directional producing well according to UDOGM records as of June 2, 2011. The NBU 1022-2O2S well location is a directional producing well according to UDOGM records as of June 2, 2011.

Production facilities (see Well Pad Design Summary and Facilities Diagram):

Production facilities will be installed on the disturbed portion of the well pad and may include bermed components (typically excluding dehy's and/or separators) that contain fluids (i.e. production tanks, produced liquids tanks). The berms will be constructed of compacted subsoil or corrugated metal, impervious, designed to hold 110% of the

NBU 1022-2G4BS/ 1022-2G4CS/ 1022-2H4CS/ 1022-2I1BS 1022-2J4BS/ 1022-2O1CS

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capacity of the largest tank, and be independent of the back cut. All permanent (on-site six months or longer) above ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth-tone color chosen at the onsite in coordination with SITLA.

#### **Gathering Facilities:**

The following pipeline transmission facilities will apply if the well is productive (see Topo D):

The total gas gathering (steel line pipe with fusion bond epoxy coating) pipeline distances from the meter to the tie in point is  $\pm 1,295$ ' and the individual segments are broken up as follows:

±500' (0.09 miles) –New 8" buried gas pipeline from the meter to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.

±795' (0.15 miles) –New 8" buried gas pipeline from the edge of pad to the tie-in at the proposed 1022-2I Intersection 10" gas pipeline. Please refer to Topo D2 - Pad and Pipeline Detail.

The total liquid gathering pipeline distance from the separator to the tie in point is  $\pm 1,295$ ' and the individual segments are broken up as follows:

±500' (0.09 miles) –New 6" buried liquid pipeline from the separator to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.

±795' (0.15 miles) –New 6" buried liquid pipeline from the edge of pad to the tie-in at the proposed 1022-2I Intersection 6" liquid pipeline. Please refer to Topo D2- Pad and Pipeline Detail.

The liquid gathering lines will be made of polyethylene or a composite polyethylene/steel or polyethylene/fiberglass that is not subject to internal or external pipe corrosion. The content of the produced fluids to be transferred by the liquid gathering system will be approximately 92% produced water and 8% condensate. Trunk line valve connections for the water gathering system will be below ground but accessible from the surface in order to prevent freezing during winter time.

The proposed pipelines will be buried and will include gas gathering and liquid gathering pipelines in the same trench. Where the pipeline is adjacent to the road or well pad, the road and/or well pad will be utilized for construction activities and staging. KMG requests a permanent 30' right-of-way adjacent to the road for life-of-project for maintenance, repairs, and/or upgrades, no additional right-of-way will be needed beyond the 30'. Where the pipeline is not adjacent to the road or well pad, KMG requests a temporary 45' construction right-of-way 30' permanent right-of-way.

The proposed trench width for the pipeline would range from 18-48 inches and will be excavated to a depth of 48 to 60 inches of normal soil cover or 24 inches of cover in consolidated rock. During construction blasting may occur along the proposed right-of-way where trenching equipment cannot cut into the bedrock. Large debris and rocks removed from the earth during trenching and blasting that could not be returned to the trench would be distributed evenly and naturally in the project area. The proposed pipelines will be pressure tested pneumatically (depending on size) or with fluids (either fresh or produced). If fluids are used, there will be no discharge to the surface.

NBU 1022-2G4BS/ 1022-2G4CS/ 1022-2H4CS/ 1022-2I1BS 1022-2J4BS/ 1022-2O1CS

Surface Use Plan of Operations

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Pipeline signs will be installed along the right-of-way to indicate the pipeline proximity and ownership, as well as to provide emergency contact phone numbers. Above ground valves, T's, and/or cathodic protection will be installed at various locations for connection, corrosion prevention and/or for safety purposes.

#### D. Location and Type of Water Supply:

Water for drilling purposes will be obtained from one of the following sources:

- Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim number 43-8496, application number 53617.
- Price Water Pumping Inc. Green River and White River, various sources, Water Right Number 49-1659, application number: a35745.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

## E. Source of Construction Materials:

Construction operations will typically be completed with native materials found on location. If needed, construction materials that must be imported to the site (mineral material aggregate, soils or materials suitable for fill/surfacing) will be obtained from a nearby permitted source and described in subsequent Sundry requests. No construction materials will be removed from State lands without prior approval from SITLA.

#### F. Methods for Handling Waste Materials:

Should the well be productive, produced water will be contained in a water tank and will be transported by pipeline and/or truck to an approved disposal sites facilities and/or Salt Water Disposal (SWD) injection well. Currently, those facilities are:

RNI in Sec. 5 T9S R22E

Ace Oilfield in Sec. 2 T6S R20E MC&MC in Sec. 12 T6S R19E

Pipeline Facility in Sec. 36 T9S R20E

Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E

Bonanza Evaporation Pond in Sec. 2 T10S R23E

Ouray #1 SWD in Sec. 1 T9S R21E

NBU 159 SWD in Sec. 35 T9S R21E

CIGE 112D SWD in Sec. 19 T9S R21E

CIGE 114 SWD in Sec. 34 T9S R21E

NBU 921-34K SWD in Sec. 34 T9S R21E

NBU 921-33F SWD in Sec. 33 T9S R21E

NBU 921-34L SWD in Sec. 34 T9S R21E

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Drill cuttings and/or fluids will be contained in the reserve/frac pit. Cuttings will be buried in pit(s) upon closure. Unless otherwise approved, no oil or other oil-based drilling additives, chromium/metals-based, or saline muds will be used during drilling. Only fresh water (as specified above), biodegradable polymer soap, bentonite clay, and/or non-toxic additives will be used in the mud system.

Pits will be constructed to minimize the accumulation of surface runoff. Should fluid hydrocarbons be encountered during drilling, completions or well testing, product will either be contained in test tanks on the well site or evacuated by vacuum trucks and transported to an approved disposal/sales facility. Should petroleum hydrocarbons unexpectedly be released into a pit, they will be removed as soon as practical but in no case will they remain longer than 72 hours unless an alternate is approved by SITLA. Should timely removal prove infeasible, the pit will be netted with mesh no larger than 1 inch until such time as hydrocarbons can be removed. Hydrocarbon removal will also take place prior to the closure of the pit, unless authorization is provided for disposal via alternative pit closure methods (e.g. solidification.)

The reserve and/or fracture stimulation pit will be lined with a synthetic material 20 mil or thicker, The liner will be installed over smooth fill subgrade that is free of pockets, loose rocks, or other materials (i.e. sand, sifted dirt, bentonite, straw, etc.) that could damage the liner. Any additional pits necessary for subsequent operations, such as temporary flare or workover pits, will be contained within the originally approved well pad and disturbance boundaries. Such temporary pits will be backfilled and reclaimed within 180 days of completion of work at a well location.

For the protection of livestock and wildlife, all open pits and cellars will be fenced/covered to prevent wildlife or livestock entry. Total height of pit fencing will be at least 42 inches and corner posts will be cemented and/or braced in such a manner as to keep the fence tight at all times. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

Pits containing drilling cuttings, mud, and/or completions fluids will be allowed to dry. Any free fluids remaining after after six (6) months from reaching total depth, date of completion, and/or determination of inactivity will be removed (as weather conditions allow) to an approved site and the pit reclaimed. Additional drying methods may include fly-ash solidification or sprinkler evaporation. Installation and operation of any sprinklers, pumps, and equipment will ensure that water spray or mist does not drift. Reserve pit liners will be cut off or folded as near to the mud surface as possible and as safety considerations allow and buried on location.

No garbage or non-exempt substances as defined by Resource Conservation and Recovery Act (RCRA) subtitle C will be placed in the reserve pit. All refuse generated during construction, drilling, completion, and well testing activities will be contained in an enclosed receptacle, removed from the drill locations promptly, and transported to an approved disposal facility.

Portable, self-contained chemical toilets and/or sewage processing facilities will be provided for human waste disposal. Upon completion of operations, or as required, the toilet holding tanks will be pumped and the contents disposed of in an approved sewage disposal facility. All applicable regulations pertaining to disposal of human and solid waste will be observed.

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Any undesirable event, including accidental release of fluids, or release in excess of reportable quantities, will be managed according to the notification requirements of UDOGMs "Reporting Oil and Gas Undesirable Events" rule. Where State wells are participatory to a Federal agreement, according to NTL-3A, the appropriate Federal agencies will be notified.

#### **Materials Management**

Hazardous materials above reportable quantities will not be produced by drilling or completing proposed wells or constructing the pipelines/facilities. The term "hazardous materials" as used here means: (1) any substance, pollutant, or containment listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended 42 U.S.C. 9601 et seq., and the regulations issued under CERCLA; and (2) any hazardous waste as defined in RCRA of 1976, as amended. In addition, no extremely hazardous substance, as defined in 40 CFR 355, in threshold planning quantities, would be used, produced, stored, transported, or disposed of while producing any well.

Chemicals subject to reporting under Title III of the Superfund Amendments and Reauthorization Act (SARA) in quantities of 10,000 pounds or more may be produced and/or stored at production facilities and may be kept in limited quantities on drilling sites and well locations for short periods of time during drilling or completion activities.

#### G. Ancillary Facilities:

None are anticipated.

#### H. Well Site Layout (see Well Pad Design Summary):

The location, orientation and aerial extent of each drill pad; reserve/completion/flare pit; access road ingress/egress points, drilling rig, dikes/ditches, existing wells/infrastructure; proposed cuts and fills; and topsoil and spoil material stockpile locations are depicted on the exhibits for each project, where applicable. Site-specific conditions may require slight deviation in actual equipment and facility layout; however, the area of disturbance, as described in the survey, will not be exceeded.

Coordinates are provided in the National Spatial Reference System, North American Datum, 1927 (NAD27) or latest edition. Distances are depicted on each plat to the nearest two adjacent section lines.

#### I. Plans for Reclamation of the Surface:

Surface reclamation will be undertaken in two phases: interim and final. Interim reclamation is conducted following well completion and extends through the period of production. This reclamation is for the area of the well pad that is not required for production activities. Final reclamation is conducted following well plugging/conversion and/or facility abandonment processes.

Reclamation activities in both phases may include but is not limited to the re-contouring or re-configuration of topographic

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surfaces, restoration of drainage systems, segregation of spoils materials, minimizing surface disturbance, re-evaluating backfill requirements, pit closure, topsoil redistribution, soil treatments, seeding and weed control.

#### **Interim Reclamation**

Interim reclamation includes pit closure, re-contouring (where possible), soil bed preparation, topsoil placement, seeding, and/or weed control.

Interim re-contouring involves bringing all construction material from cuts and fills back onto the well pad and site and reestablishing the natural contours where desirable and practical. Fill and stockpiled spoils no longer necessary to the operation will be spread on the cut slopes and covered with stockpiled topsoil. All stockpiled top soils will be used for interim reclamation where practical to maintain soil viability. Where possible, the land surface will be left "rough" after re-contouring to ensure that the maximum surface area will be available to support the reestablishment of vegetative cover.

A reserve pit, upon being allowed to dry, will be backfilled and compacted with cover materials that are void of any topsoil, vegetation, large stones, rocks or foreign objects. Soils that are moisture laden, saturated, or partially/completely frozen will not be used for backfill or cover. The pit area will be mounded to allow for settling and to promote positive surface drainage away from the pit.

#### **Final Reclamation**

Final reclamation will be performed for newly drilled unproductive wells and/or at the end of the life of a productive well. As soon as practical after the conclusion of drilling and testing operations, unproductive drill holes will be plugged and abandoned (P&A). Site and road reclamation will commence following plugging. In no case will reclamation at non-producing locations be initiated later than six (6) months from the date a well is plugged. A joint inspection of the disturbed area to be reclaimed may be requested by KMG. The primary purpose of this inspection will be to review the existing conditions, or agree upon a revised final reclamation and abandonment plan. A Notice of Intent to Abandon will be filed for final recommendations regarding surface reclamation.

After plugging, all wellhead equipment that is no longer needed will be removed, and the well site will be reclaimed. Final contouring will blend with and follow as closely as practical the natural terrain and contours of the original site and surrounding areas. After re-contouring, final grading will be conducted over the entire surface of the well site and access road. Where practical, the area will be ripped to a depth of 18 to 24 inches on 18 to 24-inch centers and surface materials will be pitted with small depressions to form longitudinal depressions 12 to 18 inches deep perpendicular to the natural flow of water.

All unnecessary surface equipment and structures (e.g. cattle guards) and water control structures (e.g. culverts, drainage pipes) not needed to facilitate successful reclamation will be removed during final reclamation. Roads that will be reclaimed will be ripped to a depth of 18 inches where practical, re-contoured to approximate the original contour of the ground and seeded.

Upon successfully completing reclamation of a P&A location, a Final Abandonment Notice will be submitted to UDOGM.

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#### **Seeding and Measures Common to Interim and Final Reclamation**

Reclaimed areas may be fenced to exclude grazing and encourage re-vegetation.

On slopes where severe erosion can become a problem and the use of machinery is not practical, seed will be hand broadcast and raked with twice the specified amount of seed. The slope will be stabilized using materials specifically designed to prevent erosion on steep slopes and hold seed in place so vegetation can become permanently established. These materials will include, but are not limited to, erosion control blankets and bonded fiber matrix at a rate to achieve a minimum of 80 percent soil coverage.

Seeding will occur year-round as conditions allow. Seed mixes appropriate to the native plant community as determined and specified for each project location based on the site specific soils will be used for re-vegetation. The site specific seed mix will be provided by SITLA.

## J. Surface/Mineral Ownership:

SITLA 675 East 500 South, Suite 500 Salt Lake City, UT 84102

#### L. Other Information:

None

NBU 1022-2G4BS/ 1022-2G4CS/ 1022-2H4CS/ 1022-2I1BS 1022-2J4BS/ 1022-2O1CS

Surface Use Plan of Operations 9 of 9

#### M. <u>Lessee's or Operators' Representative & Certification</u>:

Gina T. Becker Regulatory Analyst II Kerr-McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779 (720) 929-6086 Tommy Thompson General Manager, Drilling Kerr-McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779 (720) 929-6724

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage for State lease activities is provided by State Surety Bond 22013542, and for applicable Federal lease activities and pursuant to 43 CFR 3104, by Bureau of Land Management Nationwide Bond WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

L: OBeh	August 10, 2011
Gina T.Becker	Date



Joseph D. Johnson 1099 18TH STREET STE. 1800 • DENVER, CO 80202 720-929-6708 • FAX 720-929-7708 E-MAIL: JOE.JOHNSON@ANADARKO.COM

August 4, 2011

Ms. Diana Mason Division of Oil, Gas and Mining P.O. Box 145801 Salt Lake City, UT 84114-6100

Re: Directional Drilling R649-3-11

NBU 1022-2H4CS

T10S-R22E

Section 2: NWSE

Surface: 2351' FSL, 1584' FEL

T10S-R22E

Section 2: SENE

Bottom Hole: 2406' FNL, 493' FEL

Uintah County, Utah

Dear Ms. Mason:

Pursuant to the filing of Kerr-McGee Oil & Gas Onshore LP's (Kerr-McGee) Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of Wells.

- Kerr-McGee's NBU 1022-2H4CS is located within the Natural Buttes Unit area.
- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing road and pipelines in the area.
- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based on the above stated information Kerr-McGee Oil & Gas Onshore LP requests the permit be granted pursuant to R649-3-11.

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

Joseph D. Johnson Landman

# **United States Department of the Interior**

#### BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

August 19, 2011

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2011 Plan of Development Natural Buttes Unit

Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2011 within the Natural Buttes Unit, Uintah County, Utah.

API # WELL NAME LOCATION

(Proposed PZ WASATCH-MESA VERDE)

#### **NBU 1022-11F PAD**

43-047-51797 NBU 1022-11C2CS Sec 11 T10S R22E 1860 FNL 1499 FWL BHL Sec 11 T10S R22E 0370 FNL 1365 FWL 43-047-51799 NBU 1022-11C3DS Sec 11 T10S R22E 1852 FNL 1505 FWL BHL Sec 11 T10S R22E 1268 FNL 1726 FWL 43-047-51800 NBU 1022-11D1CS Sec 11 T10S R22E 1868 FNL 1493 FWL BHL Sec 11 T10S R22E 0576 FNL 0818 FWL 43-047-51801 NBU 1022-11F2DS Sec 11 T10S R22E 1844 FNL 1512 FWL BHL Sec 11 T10S R22E 1622 FNL 1625 FWL **NBU 1022-11G2 PAD** 43-047-51802 NBU 1022-11B4CS Sec 11 T10S R22E 1627 FNL 2594 FEL BHL Sec 11 T10S R22E 1238 FNL 1803 FEL 43-047-51813 NBU 1022-11B4BS Sec 11 T10S R22E 1633 FNL 2601 FEL BHL Sec 11 T10S R22E 0908 FNL 1804 FEL 43-047-51815 NBU 1022-11B1CS Sec 11 T10S R22E 1639 FNL 2609 FEL BHL Sec 11 T10S R22E 0577 FNL 1805 FEL 43-047-51817 NBU 1022-C4AS Sec 11 T10S R22E 1645 FNL 2617 FEL BHL Sec 11 T10S R22E 0825 FNL 2462 FWL 43-047-51818 NBU 1022-11C4CS Sec 11 T10S R22E 1651 FNL 2625 FEL BHL Sec 11 T10S R22E 1071 FNL 2131 FWL

API #	WE	LL NAME		LO	CATIO	N		
(Proposed PZ	WASA	ATCH-MESA VERD	E)					
43-047-51855	NBU	1022-11F4AS BHL			R22E R22E			
<b>NBU 1022-2A PAD</b> 43-047-51803		1022-2G1CS BHL			R22E R22E			
43-047-51807	NBU	1022-2G1BS BHL			R22E R22E			
43-047-51808	NBU	1022-2H1BS BHL			R22E R22E			
43-047-51812	NBU	1022-2H1CS BHL			R22E R22E			
		1022-2H4BS BHL			R22E R22E			
<b>NBU 1022-11G4 P</b> 43-047-51805		1022-11A4CS BHL			R22E R22E			
43-047-51814	NBU	1022-11H1BS BHL			R22E R22E			
43-047-51822	NBU	1022-11G4CS BHL			R22E R22E			
43-047-51823	NBU	1022-11G1BS BHL			R22E R22E			
43-047-51837	NBU	1022-11G1CS BHL			R22E R22E			
		1022-11G4BS BHL			R22E R22E			
<b>NBU 1022-2I PAD</b> 43-047-51809		1022-2I4CS BHL			R22E R22E			
43-047-51810	NBU	1022-2P1BS BHL			R22E R22E			
43-047-51824	NBU	1022-2I1CS BHL			R22E R22E			
43-047-51829	NBU	1022-2I4BS BHL			R22E R22E			
43-047-51838	NBU	1022-2P4BS BHL			R22E R22E			
43-047-51852	NBU	1022-2P1CS BHL			R22E R22E			
<b>NBU 1022-2B PAD</b> 43-047-51811		1022-2B1CS BHL			R22E R22E			

Page 3

API #	WE:	LL NAME		LO	CATIO	N		
(Proposed PZ	WASA	ATCH-MESA VERD	E)					
43-047-51827	NBU	1022-2B4CS BHL			R22E R22E			
43-047-51828	NBU	1022-2B4BS BHL			R22E R22E			
		1022-2C1BS BHL						
<b>NBU 1022-11J PA</b> 43-047-51816		1022-11K4BS BHL			R22E R22E			
43-047-51843	NBU	1022-11J1CS BHL			R22E R22E			
		1022-11J1BS BHL			R22E R22E			
<b>NBU 1022-2J PAE</b> 43-047-51819		1022-2G4CS BHL			R22E R22E			
43-047-51820	NBU	1022-2H4CS BHL			R22E R22E			
43-047-51844	NBU	1022-2J4BS BHL			R22E R22E			
43-047-51845	NBU	1022-201CS BHL			R22E R22E			
43-047-51847	NBU	1022-2I1BS BHL			R22E R22E			
		1022-2G4BS BHL			R22E R22E			
<b>NBU 1022-O1 PAI</b> 43-047-51821	_	1022-1101CS BHL			R22E R22E			
43-047-51831	NBU	1022-1104CS BHL			R22E R22E			
43-047-51832	NBU	1022-11P1BS BHL			R22E R22E			
43-047-51833	NBU	1022-11P4BS BHL			R22E R22E		_	
43-047-51836	NBU	1022-12M1BS BHL			R22E R22E			
43-047-51856	NBU	1022-1104BS BHL			R22E R22E			

API # WELL NAME LOCATION

(Proposed PZ WASATCH-MESA VERDE)

NBU 1022-1111 PA	\ D						
		1022-11I1CS BHL				0532 0481	
43-047-51835	NBU	1022-12L1CS BHL			_	0528 L 823	
43-047-51857	NBU	1022-11H4BS BHL				0518 0489	
43-047-51858	NBU	1022-11H4CS BHL			_	0514 0489	
43-047-51861	NBU	1022-12L1BS BHL					
		1022-11H1CS BHL				0521 0490	
<b>NBU 1022-2P PAE</b> 43-047-51839		1022-2P4CS BHL			_	1342 0496	
43-047-51841	NBU	1022-11B1BS BHL				1382 1755	
43-047-51842	NBU	1022-11A1BS BHL				1352 0473	
43-047-51846	NBU	1022-204CS BHL				1402 1804	
43-047-51848	NBU	1022-11A4BS BHL					
43-047-51849	NBU	1022-204BS BHL				1392 1807	
43-047-51850	NBU	1022-11A1CS BHL				1362 0491	
<b>NBU 1022-14A PA</b> 43-047-51840		1022-11P4CS BHL				1228 0466	
43-047-51860	NBU	1022-12M1CS BHL				1236 0825	
43-047-51868	NBU	1022-12M4BS BHL				1244 0825	
43-047-51870	NBU	1022-12M4CS BHL				1252 0819	
<b>NBU 1022-1102 P</b> 43-047-51859		1022-11K4CS BHL				2372 2113	

Page 5

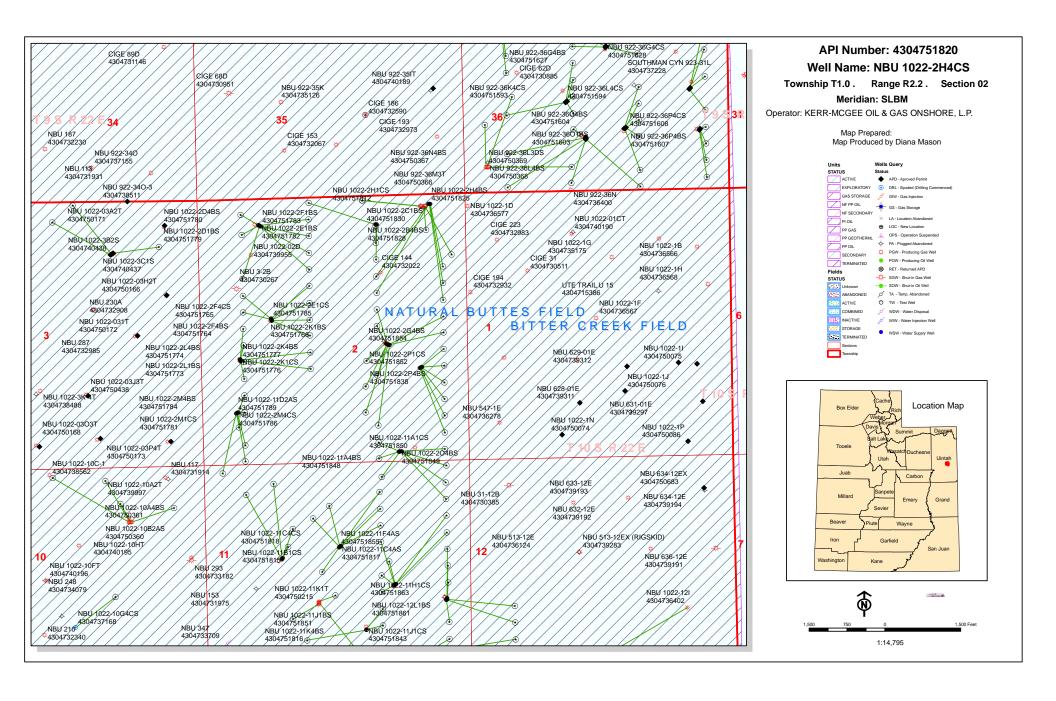
API # WELL NAME LOCATION (Proposed PZ WASATCH-MESA VERDE) 43-047-51862 NBU 1022-11N1BS Sec 11 T10S R22E 1094 FSL 2377 FEL BHL Sec 11 T10S R22E 1111 FSL 2105 FWL 43-047-51864 NBU 1022-11N1CS Sec 11 T10S R22E 1085 FSL 2382 FEL BHL Sec 11 T10S R22E 0801 FSL 2127 FWL 43-047-51865 NBU 1022-11N4BS Sec 11 T10S R22E 1077 FSL 2387 FEL BHL Sec 11 T10S R22E 0462 FSL 2127 FWL 43-047-51867 NBU 1022-11N4CS Sec 11 T10S R22E 1068 FSL 2392 FEL BHL Sec 11 T10S R22E 0146 FSL 2084 FWL 43-047-51869 NBU 1022-1102AS Sec 11 T10S R22E 1111 FSL 2367 FEL BHL Sec 11 T10S R22E 1102 FSL 1964 FEL **NBU 1022-11I3 PAD** 43-047-51866 NBU 1022-11I4BS Sec 11 T10S R22E 1489 FSL 0996 FEL BHL Sec 11 T10S R22E 1774 FSL 0485 FEL 43-047-51871 NBU 1022-1114CS Sec 11 T10S R22E 1459 FSL 0997 FEL BHL Sec 11 T10S R22E 1443 FSL 0497 FEL 43-047-51872 NBU 1022-12L4BS Sec 11 T10S R22E 1479 FSL 0996 FEL BHL Sec 12 T10S R22E 1739 FSL 0823 FWL 43-047-51873 NBU 1022-12L4CS Sec 11 T10S R22E 1469 FSL 0996 FEL BHL Sec 12 T10S R22E 1408 FSL 0824 FWL This office has no objection to permitting the wells at this

This office has no objection to permitting the wells at this time.



bcc: File - Natural Buttes Unit
 Division of Oil Gas and Mining
 Central Files
 Agr. Sec. Chron
 Fluid Chron

MCoulthard:mc:8-19-11



From: Jim Davis

To: Hill, Brad; Mason, Diana

**CC:** Bonner, Ed; Garrison, LaVonne; Lytle, Andy

**Date:** 9/26/2011 5:08 PM

Subject: Anadarko APD approvals 10S 22E Sec 2, 11 and 14

Attachments: Anadarko Approvals from SITLA 9.26.11.xls

The following APDs have been approved by SITLA including arch clearance and paleo clearance:

```
4304751840
             NBU 1022-11P4CS
4304751860
            NBU 1022-12M1CS
4304751868
            NBU 1022-12M4BS
            NBU 1022-12M4CS
4304751870
            NBU 1022-2G1CS
4304751803
4304751807
            NBU 1022-2G1BS
4304751808
            NBU 1022-2H1BS
4304751812
            NBU 1022-2H1CS
4304751825
            NBU 1022-2H4BS
4304751811
            NBU 1022-2B1CS
4304751827
            NBU 1022-2B4CS
4304751828
            NBU 1022-2B4BS
4304751830
            NBU 1022-2C1BS
            NBU 1022-2I4CS
4304751809
4304751810
            NBU 1022-2P1BS
4304751824
            NBU 1022-2I1CS
4304751829
            NBU 1022-2I4BS
4304751838
            NBU 1022-2P4BS
4304751852
            NBU 1022-2P1CS
4304751839
            NBU 1022-2P4CS
            NBU 1022-11B1BS
4304751841
4304751842
            NBU 1022-11A1BS
4304751846
            NBU 1022-204CS
4304751848
            NBU 1022-11A4BS
4304751849
            NBU 1022-204BS
4304751850
            NBU 1022-11A1CS
```

These APDS are approved including arch clearance but will require **spot paleo monitoring** as recommended in the applicable paleo reports:

```
NBU 1022-2C1CS
4304751758
4304751767
            NBU 1022-2C4BS
4304751768
            NBU 1022-2C4CS
4304751779
            NBU 1022-2D1BS
4304751780
            NBU 1022-2D4BS
4304751782
            NBU 1022-2E1BS
            NBU 1022-2F1BS
4304751783
4304751760
            NBU 1022-2E4BS
4304751761
            NBU 1022-2F1CS
4304751764
            NBU 1022-2F4BS
4304751765
            NBU 1022-2F4CS
4304751766
            NBU 1022-2K1BS
4304751785
            NBU 1022-2E1CS
            NBU 1022-2L4CS
4304751775
            NBU 1022-2M1BS
4304751778
4304751781
            NBU 1022-2M1CS
4304751784
            NBU 1022-2M4BS
4304751786
            NBU 1022-2M4CS
4304751789
            NBU 1022-11D2AS
```

```
4304751802
             NBU 1022-11B4CS
4304751813
             NBU 1022-11B4BS
4304751815
             NBU 1022-11B1CS
4304751817
             NBU 1022-11C4AS
4304751818
             NBU 1022-11C4CS
4304751855
             NBU 1022-11F4AS
4304751805
             NBU 1022-11A4CS
4304751814
             NBU 1022-11H1BS
4304751822
             NBU 1022-11G4CS
4304751823
             NBU 1022-11G1BS
4304751837
             NBU 1022-11G1CS
4304751853
             NBU 1022-11G4BS
4304751834
             NBU 1022-11I1CS
4304751835
             NBU 1022-12L1CS
4304751857
             NBU 1022-11H4BS
4304751858
             NBU 1022-11H4CS
4304751861
             NBU 1022-12L1BS
4304751863
             NBU 1022-11H1CS
4304751866
             NBU 1022-11I4BS
4304751871
             NBU 1022-11I4CS
4304751872
             NBU 1022-12L4BS
4304751873
             NBU 1022-12L4CS
4304751816
             NBU 1022-11K4BS
4304751843
             NBU 1022-11J1CS
             NBU 1022-11J1BS
4304751851
4304751859
             NBU 1022-11K4CS
4304751862
             NBU 1022-11N1BS
4304751864
             NBU 1022-11N1CS
             NBU 1022-11N4BS
4304751865
4304751867
             NBU 1022-11N4CS
             NBU 1022-11O2AS
4304751869
```

These APDS are approved including arch clearance but will require **full paleo monitoring** as recommended in the applicable paleo reports:

```
4304751771
             NBU 1022-2E4CS
4304751772
             NBU 1022-2L1CS
             NBU 1022-2L1BS
4304751773
4304751774
             NBU 1022-2L4BS
4304751776
             NBU 1022-2K1CS
4304751777
             NBU 1022-2K4BS
4304751819
             NBU 1022-2G4CS
4304751820
             NBU 1022-2H4CS
4304751844
             NBU 1022-2J4BS
4304751845
             NBU 1022-201CS
4304751847
             NBU 1022-211BS
4304751854
             NBU 1022-2G4BS
4304751797
             NBU 1022-11C2CS
             NBU 1022-11C3DS
4304751799
             NBU 1022-11D1CS
4304751800
4304751801
             NBU 1022-11F2DS
4304751821
             NBU 1022-1101CS
             NBU 1022-1104CS
4304751831
             NBU 1022-11P1BS
4304751832
4304751833
             NBU 1022-11P4BS
4304751836
             NBU 1022-12M1BS
             NBU 1022-11O4BS
4304751856
```

That's a big enough list that I'm including a simple spreadsheet that has this same information, but organized in such a way as may be more useful to some of you. Thanks.

-Jim

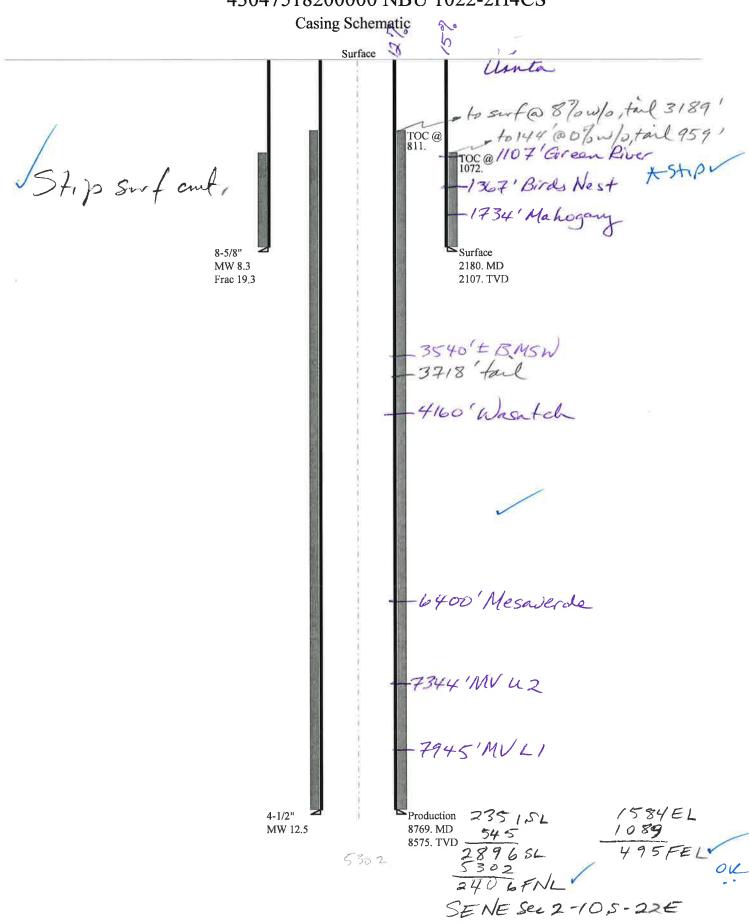
Jim Davis Utah Trust Lands Administration jimdavis1@utah.gov Phone: (801) 538-5156

## BOPE REVIEW KERR-MCGEE OIL & GAS ONSHORE, L.P. NBU 1022-2H4CS 43047518200000

Well Name					_				
		KERR-MCGE	EE C	OIL & GAS O	NS	HORE, L.P. NE	BU	1022-2H4CS	
String		Surf		Prod	1		<u>  </u> .		
Casing Size(")		8.625	4	4.500			<u>[[</u>		
Setting Depth (TVD)		2107	[8	8575			Į.		
Previous Shoe Setting Dept	th (TVD)	40	[2	2107	Ī		Ţ.		
Max Mud Weight (ppg)		8.3		12.5	Ī		Ī.		
BOPE Proposed (psi)		500	5	5000			Ţ.		
Casing Internal Yield (psi)		3390	1	7780	Ī		Ī.		
Operators Max Anticipated	d Pressure (psi)	5488	[1	12.3			[		
Calculations	Sur	f String				8.62	25	"	
Max BHP (psi)		.052*Setti	ing	Depth*M	W	909	1		
								BOPE Ade	quate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max	x BHP-(0.12*	*Se	tting Dept	h)=	656		NO	air drill
MASP (Gas/Mud) (psi)	Max	x BHP-(0.22*	*Se	tting Dept	h)=	445	]	YES	ОК
								*Can Full I	Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting D	epth - Previo	us S	Shoe Dept	h)=	454	Ī	NO	Reasonable depth in area
Required Casing/BOPE Te	est Pressure=					2107	7	psi	
*Max Pressure Allowed @	Previous Casing Shoe=					40	Ĩ	psi *Assu	mes 1psi/ft frac gradient
						1 1 50			
Calculations	Proc	d String		D 4*M	117	4.50	)U =	"	
Max BHP (psi)		.052*Setti	ing	Deptn*M	w=	5574	4	DODE A L	4 E D W 4 18 # C : 4 D 418
MASD (Cos) (nsi)	Max	, DUD (0.12*	*C ~	etting Dont	h)-	-	=		quate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)		x BHP-(0.12*			_	1.4.4	╣	YES	
MASP (Gas/Mud) (psi)	Max	x BHP-(0.22*	*Se	tting Dept	h)=	3688	4	YES	ОК
n Aan Cl	M DIID 22*(C # D	41 D :		CI D	1.\	-	=		Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe		eptn - Previo	ous :	Snoe Dept	n)=	4151	ᅦ	NO	Reasonable
Required Casing/BOPE Te						5000	╝	psi	
*Max Pressure Allowed @	Previous Casing Shoe=					2107		psi *Assu	mes 1psi/ft frac gradient
Calculations	S	tring				T		"	
Max BHP (psi)		.052*Setti	ing	Depth*M	W		╗		
						,		BOPE Ade	quate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max	x BHP-(0.12*	*Se	tting Dept	h)=		]	NO	
MASP (Gas/Mud) (psi)	Max	x BHP-(0.22*	*Se	tting Dept	h)=		5	NO	
								*Can Full I	Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting D	epth - Previo	us S	Shoe Dept	h)=	=		NO	
Required Casing/BOPE Te	est Pressure=						1	psi	
*Max Pressure Allowed @	Previous Casing Shoe=						Ī	psi *Assu	mes 1psi/ft frac gradient
Calculations	S	tring			_			"	
Max BHP (psi)		.052*Setti	ing	Depth*M	W		7		
						1.	=	BOPE Ade	quate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max	x BHP-(0.12*	*Se	tting Dept	h)=		7	NO	
MASP (Gas/Mud) (psi)	Max	x BHP-(0.22*	*Se	tting Dept	h)=	1		NO	
/ 4		· · ·		- •	_	1	=	<u> </u>	Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting D	epth - Previo	us S	Shoe Dept	h)=		7	NO	i
Required Casing/BOPE Te						<u>'</u>	Ħ	psi	,
							븨	*	

\*Max Pressure Allowed @ Previous Casing Shoe= psi \*Assumes 1psi/ft frac gradient

## 43047518200000 NBU 1022-2H4CS



Well name:

43047518200000 NBU 1022-2H4CS

Operator:

KERR-MCGEE OIL & GAS ONSHORE, L.P.

String type:

Surface

Project ID: 43-047-51820

Location:

**UINTAH** COUNTY

Fracture depth: Injection pressure:

2,180 psi

Design parameters: Collapse		Minimum design fa	actors:	Environment: H2S considered?	No
Mud weight: Design is based on evacu	8.330 ppg lated pipe.	Design factor	1.125	Surface temperature: Bottom hole temperature Temperature gradient: Minimum section length:	1.40 °F/100ft
		Burst:			
		Design factor	1.00	Cement top:	1,072 ft
<u>Burst</u>					
Max anticipated surface pressure:	1,918 psi				
Internal gradient:	0.120 psi/ft	Tension:		Directional Info - Build	& Drop
Calculated BHP	2,171 psi	8 Round STC:	1.80 (J)	Kick-off point	300 ft
	,	8 Round LTC:	1.70 (J)	Departure at shoe:	474 ft
No backup mud specified		Buttress:	1.60 (J)	Maximum dogleg:	2 °/100ft
		Premium:	1.50 (J)	Inclination at shoe:	20 °
		Body yield:	1.50 (B)	Re subsequent strings:	
				Next setting depth:	8,769 ft
		Tension is based on a	ir weight.	Next mud weight:	12.500 ppg
		Neutral point:	1,905 ft	Next setting BHP:	5,694 psi
				Fracture mud wt:	19.250 ppg
				Fracture depth:	2,180 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	2180	8.625	28.00	I-55	LT&C	2107	2180	7.892	86328
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	912	1880	2.062	2171	3390	1.56	59	348	5.90 J

Prepared

Helen Sadik-Macdonald

Div of Oil, Gas & Mining by:

Phone: 801 538-5357

Date: August 29,2011

FAX: 801-359-3940

Salt Lake City, Utah

Collapse is based on a vertical depth of 2107 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Well name:

43047518200000 NBU 1022-2H4CS

Minimum design factors:

Operator:

KERR-MCGEE OIL & GAS ONSHORE, L.P.

String type:

Project ID:

Production

43-047-51820

Location:

**UINTAH** 

COUNTY

Design parameters:

**Collapse** 

Mud weight: Design is based on evacuated pipe.

Collapse: 12.500 ppg Design factor

1.125

**Environment:** H2S considered?

Surface temperature: Bottom hole temperature:

No 74 °F 194 °F

Temperature gradient:

1.40 °F/100ft

Minimum section length:

100 ft

Burst:

Design factor

1.00

Cement top:

811 ft

**Burst** 

Max anticipated surface

pressure: Internal gradient: Calculated BHP

3,682 psi 0.220 psi/ft

5,568 psi

No backup mud specified.

**Tension:** 

8 Round STC: 8 Round LTC: **Buttress:** 

Premium: Body yield: 1.80 (J) 1.60 (J) 1.50 (J)

1.80 (J)

1.60 (B)

Directional Info - Build & Drop

Kick-off point 300 ft Departure at shoe: 1218 ft 2 °/100ft Maximum dogleg:

0 ° Inclination at shoe:

Tension is based on air weight. Neutral point: 7,167 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	8769	4.5	11.60	1-80	LT&C	8575	8769	3.875	115751
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	5568	6360	1.142	5568	"77 <b>8</b> 0	1.40	99.5	212	2.13 J

Prepared

by:

Helen Sadik-Macdonald

Phone: 801 538-5357 Div of Oil, Gas & Mining FAX: 801-359-3940

Date: August 29,2011 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 8575 ft, a mud weight of 12.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

# **ON-SITE PREDRILL EVALUATION**

# Utah Division of Oil, Gas and Mining

**Operator** KERR-MCGEE OIL & GAS ONSHORE, L.P.

Well Name NBU 1022-2H4CS

API Number 43047518200000 APD No 4390 Field/Unit NATURAL BUTTES

Location: 1/4,1/4 NWSE Sec 2 Tw 10.0S Rng 22.0E 2351 FSL 1584 FEL

GPS Coord (UTM) 636395 4426242 Surface Owner

#### **Participants**

Andy Lytle, Sheila Wopsock, Charles Chase, Grizz Oleen, Mark Kuehn, Doyle Holmes, (Kerr McGee). John Slaugh, Mitch Batty, (Timberline). Jim Davis (SITLA). David Hackford, (DOGM).

#### Regional/Local Setting & Topography

The general area is in the southeast portion of the Natural Buttes Unit. Within this area is the White River and rugged drainages that drain into it. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River varies from ¼ mile to 2 miles. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 40 air miles to the northwest. Access from Vernal is approximately 47.2 road miles following Utah State, Uintah County and oilfield development roads. Five wells, in addition to this one will be directionally drilled from this pad. There are four existing wells on this pad and one PA'd well. This proposed location takes in an existing location, and very little new construction will be necessary except for digging the reserve pit. The existing access road will be adequate. The location runs in an east-west direction along the top of a flat topped ridge. This ridge breaks off sharply into rugged secondary canyons especially on the north and northwest sides. New construction will consist of approx. 10 feet to the south of the existing pad., and 50 feet on the north and west sides for reserve pit and excess cut stockpile. No drainage concerns exist, and no diversions will be needed. The pad as modified should be stable and should be a suitable location for ten wells, and is on the best site available in the immediate area.

#### **Surface Use Plan**

**Current Surface Use** 

Wildlfe Habitat Existing Well Pad

New Road Miles Well Pad Src Const Material Surface Formation

0 Width 332 Length 415 Onsite UNTA

**Ancillary Facilities** N

Waste Management Plan Adequate? Y

## **Environmental Parameters**

Affected Floodplains and/or Wetlands N

#### Flora / Fauna

Prickly pear, wild onion, shadscale, mat saltbrush, Indian ricegrass, halogeton, pepper grass, annuals and curly Vegetation is a salt desert shrub type. Principal species present are cheatgrass, black sagebrush, stipa, mesquite grass.

Sheep, antelope, raptors and small mammals and birds.

10/12/2011 Page 1

**Soil Type and Characteristics** 

Shallow rocky sandy loam.

**Erosion Issues** N

**Sedimentation Issues** N

Site Stability Issues N

**Drainage Diverson Required?** N

Berm Required? N

**Erosion Sedimentation Control Required?** N

Paleo Survey Run? Y Paleo Potental Observed? N Cultural Survey Run? Y Cultural Resources? N

#### **Reserve Pit**

Site-Specific Factors	Site R	anking	
Distance to Groundwater (feet)	100 to 200	5	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)		20	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
<b>Annual Precipitation (inches)</b>		0	
Affected Populations			
<b>Presence Nearby Utility Conduits</b>	Not Present	0	
	Final Score	40	1 Sensitivity Level

#### **Characteristics / Requirements**

The reserve pit is planned in an area of cut on the north side of the location. Dimensions are 100' x 260' x 12' deep with 2' of freeboard. Kerr McGee agreed to line the pit with a 30-mil liner and 2 layers of felt.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 30 Pit Underlayment Required? Y

#### **Other Observations / Comments**

David Hackford 8/18/2011 **Evaluator Date / Time** 

10/12/2011 Page 2

# **Application for Permit to Drill Statement of Basis**

10/12/2011 Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
4390	43047518200000	SITLA	GW	S	No
Operator	KERR-MCGEE OIL & GAS ONS	HORE, L.P.	Surface Owner-APD		
Well Name	NBU 1022-2H4CS		Unit	NATURAL E	BUTTES
Field	NATURAL BUTTES	1	Type of Work	DRILL	
Location	NWSE 2 10S 22E S 2351	FSL 1584 FE	L GPS Coord (UTM)	636391E 44	26233N

#### **Geologic Statement of Basis**

Kerr McGee proposes to set 2,180' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,540'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 2. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill 9/26/2011
APD Evaluator Date / Time

#### **Surface Statement of Basis**

The general area is in the southeast portion of the Natural Buttes Unit. Within this area is the White River and rugged drainages that drain into it. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River varies from ½ mile to 2 miles. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 40 air miles to the northwest. Access from Vernal is approximately 47.2 road miles following Utah State, Uintah County and oilfield development roads. It will not be necessary to construct an access road. The existing access road will be adaquate.

Six wells will be directionally drilled from this location. They are the NBU 1022-2G4CS, NBU 1022-2J4BS, NBU 1022-2G4BS, NBU 1022-2H4CS, NBU 1022-2I1BS and the NBU 1022-2O1CS. The existing location has four existing wells and one well that has been PA'd. The location is on the point of a flat topped ridge that runs in an east-west direction. This ridge breaks off sharply into rugged secondary canyons on the north and west sides. No drainage concerns exist, and no diversions will be needed. The pad as modified should be stable and sufficient for ten wells.

Excess material will be stockpiled on the north side of the new reserve pit. Approx. 10' of additional construction will be necessary on the south side of the original location.

Both the surface and minerals are owned by SITLA. Jim Davis of SITLA and Ben Williams with DWR were invited by email to the pre-site evaluation. Jim Davis was present. Kerr McGee was told to consult with SITLA for reclamation standards including seeding mixes to be used.

David Hackford 8/18/2011
Onsite Evaluator Date / Time

Conditions of Approval / Application for Permit to Drill

**Category** Condition

**RECEIVED:** October 12, 2011

# **Application for Permit to Drill Statement of Basis**

10/12/2011 Utah Division of Oil, Gas and Mining

Page 2

Pits A synthetic liner with a minimum thickness of 30 mils with a felt subliner shall be properly installed and maintained in the

reserve pit.

Pits The reserve pit should be located on the north side of the location.

**RECEIVED:** October 12, 2011

## WORKSHEET APPLICATION FOR PERMIT TO DRILL

**APD RECEIVED:** 8/10/2011 **API NO. ASSIGNED:** 43047518200000

WELL NAME: NBU 1022-2H4CS

**OPERATOR:** KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995) **PHONE NUMBER:** 720 929-6086

**CONTACT:** Gina Becker

PROPOSED LOCATION: NWSE 02 100S 220E **Permit Tech Review:** 

> **SURFACE:** 2351 FSL 1584 FEL **Engineering Review:**

> **BOTTOM:** 2406 FNL 0493 FEL Geology Review:

**COUNTY: UINTAH** 

**LATITUDE: 39.97716 LONGITUDE:** -109.40277 **UTM SURF EASTINGS: 636391.00** NORTHINGS: 4426233.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 3 - State

**LEASE NUMBER: ST UT ML 22651** PROPOSED PRODUCING FORMATION(S): WASATCH-MESA VERDE

**Drilling Unit** 

SURFACE OWNER: 3 - State **COALBED METHANE: NO** 

**RECEIVED AND/OR REVIEWED: LOCATION AND SITING:** 

✓ PLAT R649-2-3.

Unit: NATURAL BUTTES Bond: STATE/FEE - 22013542

**Potash** R649-3-2. General

Oil Shale 190-5

Oil Shale 190-3 R649-3-3. Exception

Board Cause No: Cause 173-14 Water Permit: 43-8496

Effective Date: 12/2/1999 **RDCC Review:** 

Siting: 460' Fr U Bdry & Uncommitted Tracts **Fee Surface Agreement** 

✓ Intent to Commingle ▼ R649-3-11. Directional Drill

**Commingling Approved** 

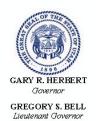
Oil Shale 190-13

**Comments:** Presite Completed

Stipulations:

3 - Commingling - ddoucet 5 - Statement of Basis - bhill 15 - Directional - dmason 17 - Oil Shale 190-5(b) - dmason 25 - Surface Casing - hmacdonald

API Well No: 43047518200000



# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

## **Permit To Drill**

\*\*\*\*\*\*

Well Name: NBU 1022-2H4CS API Well Number: 43047518200000 Lease Number: ST UT ML 22651

**Surface Owner:** STATE **Approval Date:** 10/12/2011

#### **Issued to:**

KERR-MCGEE OIL & GAS ONSHORE, L.P., P.O. Box 173779, Denver, CO 80217

#### **Authority:**

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 173-14. The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

#### **Duration:**

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

#### **Commingle:**

In accordance with Board Cause No. 173-14, commingling of the production from the Wasatch formation and the Mesaverde formation in this well is allowed.

#### General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

## **Conditions of Approval:**

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operators shall ensure that the surface and or production casing is properly cemented over the entire oil shale section as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the division.

Surface casing shall be cemented to the surface.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

API Well No: 43047518200000

#### **Additional Approvals:**

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan contact Dustin Doucet
- Significant plug back of the well contact Dustin Doucet
- Plug and abandonment of the well contact Dustin Doucet

#### **Notification Requirements:**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well contact Carol Daniels OR
- submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at http://oilgas.ogm.utah.gov
- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to cementing or testing casing contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well contact Dan Jarvis

#### **Contact Information:**

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 office
- Dustin Doucet 801-538-5281 office

801-733-0983 - after office hours

• Dan Jarvis 801-538-5338 - office

801-231-8956 - after office hours

#### **Reporting Requirements:**

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) due prior to implementation
- Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
- Report of Water Encountered (Form 7) due within 30 days after completion
- Well Completion Report (Form 8) due within 30 days after completion or plugging

Approved By:

For John Rogers Associate Director, Oil & Gas

SUBMIT AS EMAIL

Print Form

# BLM - Vernal Field Office - Notification Form

-	rator KERR-MICGEE OIL & GA		
	nitted By JAIME SCHARNOWSKE		720.929.6304
	Name/Number NBU 1022-21		
	Qtr <u>NWSE</u> Section 2		Range <u>22E</u>
Leas	e Serial Number <u>ST UT ML 2</u>	2651	
API I	Number <u>4304751820</u>		
_	<u>f Notice</u> – Spud is the initia pelow a casing string.	spudding of the	well, not drilling
	Date/Time <u>02/09/2012</u>	08:00 HRS AM	PM
<u>Casir</u>	<u>ng</u> – Please report time cas s.	ing run starts, no	t cementing
	Surface Casing		RECEIVED
	Intermediate Casing		FEB 0 2 2012
	Production Casing		I LD U Z ZUIZ
	Liner	DIV	OF OIL, GAS & MINING
	Other		
	Date/Time <u>02/18/2012</u>	08:00 HRS AM [	PM
<b>BOP</b>	E		
	Initial BOPE test at surface	casing point	
	BOPE test at intermediate	casing point	
	30 day BOPE test		
	Other		
	Date/Time	AM [	PM
Rem	arks estimated date and time. Plea	ASE CONTACT KENNY GATHI	INGS AT
435.82	8.0986 OR LOVEL YOUNG AT 435.781.70	51	

	STATE OF UTAH		FORM 9
ι	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651
SUNDR	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	posals to drill new wells, significantly or reenter plugged wells, or to drill horizor n for such proposals.		7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-2H4CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	ISHORE, L.P.		9. API NUMBER: 43047518200000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th	h Street, Suite 600, Denver, CO, 80217	<b>PHONE NUMBER:</b> 3779 720 929-6	9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2351 FSL 1584 FEL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: D2 Township: 10.0S Range: 22.0E Merid	ian: S	STATE: UTAH
11. CHECI	K APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
✓ SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud: 2/10/2012	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
2,10,2012	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
	WILDCAT WELL DETERMINATION	OTHER	OTHER:
40 DECODINE DRODOCED OR	COMPLETED OPERATIONS. Clearly show a	U montinent details including details	<u> </u>
MIRU TRIPPLE A BUG RAN 14" 36.7# SCI	CKET RIG 2. DRILLED 20" COI HEDULE 10 PIPE. CMT W/28 S ELL ON 02/10/2012 AT 1800	NDUCTOR HOLE TO 40'. SX READY MIX. SPUD	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 15, 2012
NAME (PLEASE PRINT)	PHONE NUMBI	ER TITLE	
Sheila Wopsock	435 781-7024	Regulatory Analyst	
SIGNATURE N/A		<b>DATE</b> 2/13/2012	

#### STATE OF UTAH **DEPARTMENT OF NATURAL RESOURCES** DIVISION OF OIL, GAS AND MINING

## **ENTITY ACTION FORM**

Operator:

KERR McGEE OIL & GAS ONSHORE LP

Operator Account Number: N 2995

Address:

1368 SOUTH 1200 EAST

city VERNAL

state UT

Phone Number: (435) 781-7024

MAINE 4

API Number	Well I	Name	QQ	Sec	Twp	Rng	County
4304751820	NBU 1022-2H4CS		NWSE	2	108	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	S	pud Da	le	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	ty Assignment fective Date
A	99999	2900	2	/10/201	2	21	15/12

zip 84078

Comments: MIRU TRIPPLE A 2 BUCKET RIG.

STANSPUD WELL ON 02/10/2012 AT 1800 HRS

Well 2

API Number	Well	QQ Sec Twp		Rng	Rng County		
4304751847	NBU 1022-211BS	1022-2l1BS			10\$	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date				ity Assignment ffective Date
A	99999 2900		2/10/2012		21	15/12	

Comments:

MIRU TRIPPLE A 1 BUCKET RIG.

SPUD WELL ON 02/10/2012 AT 1230 HRS.

Well 3

API Number	Well Name		QQ	QQ Sec Twp		Rng Count	
4304751845	NBU 1022-201CS	NWSE	2	108	22E	UINTAH	
Action Code	Current Entity Number	New Entity Number	Spud Date			ty Assignment fective Date	
A	99999 2900		2/10/2012			211	15/12

Comments:

MIRU TRIPPLE A 1 BUCKET RIG.

SPUD WELL ON 02/01/2012 AT 1830 HRS.

SHEILA WOPSOCK

**ACTION CODES:** 

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

RECEIVED

FEB 1 3 2012

**REGULATORY ANALYST** 2/13/2012

Title

Signature

Date

(6/2000)

	STATE OF UTAH		FORM 9
ı	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651
SUNDR	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
	oposals to drill new wells, significantly of reenter plugged wells, or to drill horizor n for such proposals.		7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-2H4CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	NSHORE, L.P.		9. API NUMBER: 43047518200000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th	h Street, Suite 600, Denver, CO, 80217	<b>PHONE NUMBER:</b> 3779 720 929-0	9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2351 FSL 1584 FEL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: D2 Township: 10.0S Range: 22.0E Merid	ian: S	STATE: UTAH
11. CHECI	K APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT     Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
2/19/2012	WILDCAT WELL DETERMINATION	OTHER	OTHER:
MIRU AIR RIG ON 2,480'. RAN SURFA	COMPLETED OPERATIONS. Clearly show a FEBRUARY 16, 2012. DRILLED ICE CASING AND CEMENTED ILS OF CEMENT JOB WILL BE COMPLETION REPORT.	O SURFACE HOLE TO . WELL IS WAITING ON	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 29, 2012
NAME (PLEASE PRINT) Jaime Scharnowske	<b>PHONE NUMBI</b> 720 929-6304	ER TITLE Regulartory Analyst	
SIGNATURE	. 20 020 0001	DATE	
N/A		2/19/2012	

	STATE OF UTAH DEPARTMENT OF NATURAL RESOURCE		FORM 9
	5.LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651		
SUNDF	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significantly reenter plugged wells, or to drill horizon for such proposals.		7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-2H4CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	NSHORE, L.P.		9. API NUMBER: 43047518200000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18t	h Street, Suite 600, Denver, CO, 80217	<b>PHONE NUMBER:</b> 7 3779 720 929-	9. FIELD and POOL or WILDCAT: 65NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE:			COUNTY: UINTAH
2351 FSL 1584 FEL QTR/QTR, SECTION, TOWNSI Qtr/Qtr: NWSE Section: (	<b>HIP, RANGE, MERIDIAN:</b> 02 Township: 10.0S Range: 22.0E Merio	dian: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICAT	TE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	✓ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
3/6/2012	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
Report Date:	WILDCAT WELL DETERMINATION	OTHER	OTHER:
12 DESCRIBE PROPOSED OR	COMPLETED OPERATIONS. Clearly show a	all pertinent details including dates	denths volumes etc
The Operator re Specifically, the C loop drilling option,	equests approval for changes perator requests approval fo , and a production casing ch pproved drilling plan will not attachment. Thank you.	s in the drilling plan. or a FIT wavier, closed ange. All other aspects change. Please see the	Approved by the Utah Division of Oil, Gas and Mining  Date: March 07, 2012  By: Date Out
NAME (PLEASE PRINT) Jaime Scharnowske	<b>PHONE NUMB</b> 720 929-6304	ER TITLE Regulartory Analyst	
SIGNATURE N/A		<b>DATE</b> 3/6/2012	

NBU 1022-2H4CS Drilling Program
1 of 7

## Kerr-McGee Oil & Gas Onshore. L.P.

NBU 1022-2H4CS

Surface: 2351 FSL / 1584 FEL NWSE BHL: 2406 FNL / 493 FEL SENE

Section 2 T10S R22E

Uintah County, Utah Mineral Lease: ST UT ML 22651

#### ONSHORE ORDER NO. 1

#### **DRILLING PROGRAM**

# Estimated Tops of Important Geologic Markers: Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 - Surface	
	5 5555	
Green River	1,092'	
Birds Nest	1,326'	Water
Mahogany	1,836'	Water
Wasatch	4,163'	Gas
Mesaverde	6,400'	Gas
TVD	8,575'	
TD	8,769'	

#### 3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please refer to the attached Drilling Program

#### 4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program

#### 5. <u>Drilling Fluids Program:</u>

Please refer to the attached Drilling Program

#### 6. Evaluation Program:

Please refer to the attached Drilling Program

NBU 1022-2H4CS Drilling Program
2 of 7

#### 7. Abnormal Conditions:

Maximum anticipated bottom hole pressure calculated at 8575' TVD, approximately equals 5,488 psi 0.64 psi/ft = actual bottomhole gradient

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 3,589 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

#### 8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

#### 9. <u>Variances:</u>

Please refer to the attached Drilling Program. Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- · Blowout Prevention Equipment (BOPE) requirements;
- · Mud program requirements; and
- Special drilling operation (surface equipment placement) requirements associated with air drilling.

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

#### **Background**

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

NBU 1022-2H4CS Drilling Program
3 of 7

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12 1/4 inch hole for the first 200 feet, then will drill a 11inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

#### **Variance for BOPE Requirements**

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

#### **Variance for Mud Material Requirements**

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

#### Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and

NBU 1022-2H4CS Drilling Program
4 of 7

on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

#### Variance for FIT Requirements

KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

#### Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

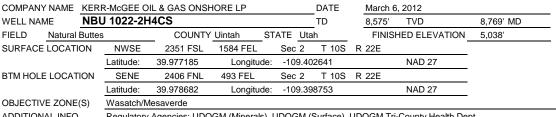
#### 10. <u>Other Information:</u>

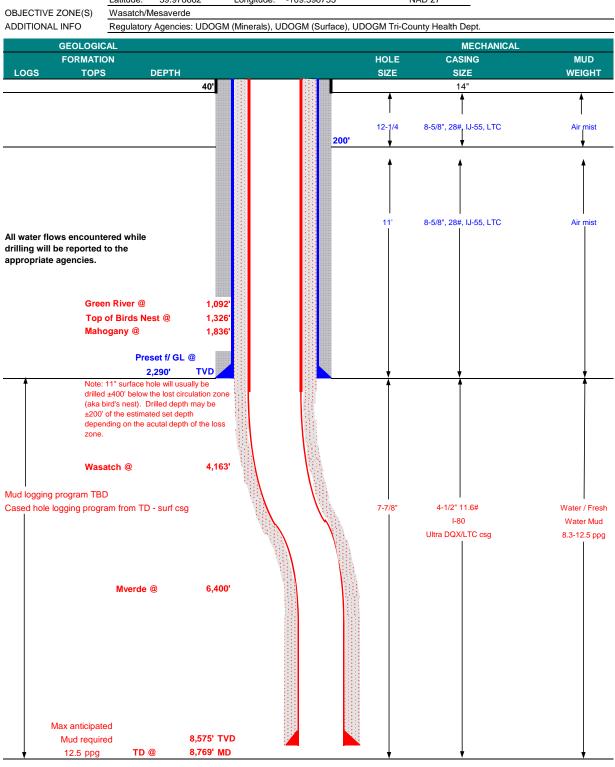
Please refer to the attached Drilling Program.

NBU 1022-2H4CS Drilling Program 5 of 7



# KERR-McGEE OIL & GAS ONSHORE LP <u>DRILLING PROGRAM</u>





**Drilling Program** NBU 1022-2H4CS 6 of 7



#### **KERR-McGEE OIL & GAS ONSHORE LP**

**DRILLING PROGRAM** 

CONDUCTOR

**SURFACE** 

**CASING PROGRAM** 

									LTC	DQX
SIZE	INTE	ERVAL	-	WT.	GR.	CPLG.	BURST	COLLAPSE		TENSION
14"	0	-40'								
							3,390	1,880	348,000	N/A
8-5/8"	0	to	2,290	28.00	IJ-55	LTC	2.36	1.75	6.20	N/A
							7,780	6,350	223,000	267,035
4-1/2"	0	to	5,000	11.60	I-80	DQX	1.11	1.14		3.25
4-1/2"	5,000	to	8,769'	11.60	I-80	LTC	1.11	1.14	6.30	

**DESIGN FACTORS** 

#### **Surface Casing:**

**PRODUCTION** 

(Burst Assumptions: TD = 12.5 0.73 psi/ft = frac gradient @ surface shoe ppg)

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

Production casing:

0.64 psi/ft = bottomhole gradient (Burst Assumptions: Pressure test with 8.4ppg @ 7000 psi)

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

#### **CEMENT PROGRAM**

	FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGH	Т	YIELD
SURFACE LEAD	500'	Premium cmt + 2% CaCl	180	60%	15.80		1.15
Option 1		+ 0.25 pps flocele					
TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	270	0%	15.80		1.15
		+ 2% CaCl + 0.25 pps flocele					
SURFACE		NOTE: If well will circulate water	to surface,	option 2 wi	II be utilized		
Option 2 LEAD	1,790'	65/35 Poz + 6% Gel + 10 pps gilsonite	170	35%	11.00		3.82
		+ 0.25 pps Flocele + 3% salt BWOW					
TAIL	500'	Premium cmt + 2% CaCl	150	35%	15.80		1.15
		+ 0.25 pps flocele					
TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80		1.15
PRODUCTION LEAD	3,659'	Premium Lite II +0.25 pps	290	35%	12.00		3.38
		celloflake + 5 pps gilsonite + 10% gel					
		+ 0.5% extender					
TAIL	5,110'	50/50 Poz/G + 10% salt + 2% gel	1,210	35%	14.30		1.31
		+ 0.1% R-3					

<sup>\*</sup>Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

#### **FLOAT EQUIPMENT & CENTRALIZERS**

**SURFACE** 

Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe

**PRODUCTION** 

Float shoe, 1 jt, float collar. 15 centralizers for a Mesaverde and 20 for a Blackhawk well.

1 centralizer on the first 3 joints and one every third joint thereafter.

#### ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper

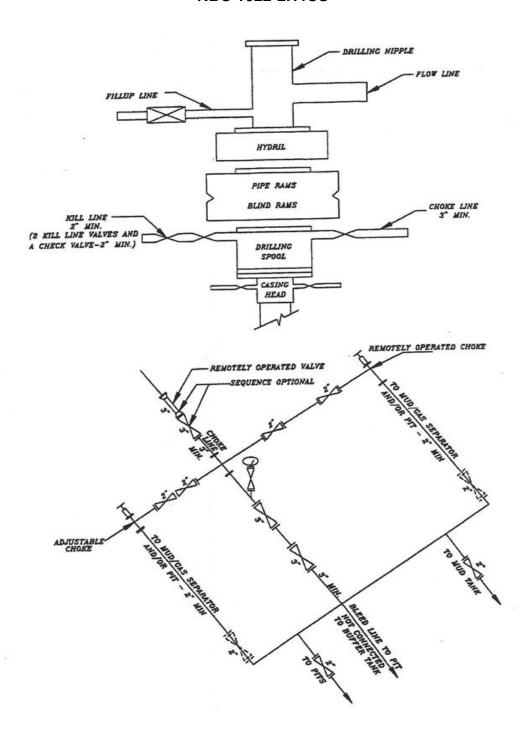
Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:		DATE:	
	Nick Spence / Danny Showers / Chad Loesel		
DRILLING SUPERINTENDENT:		DATE:	
	Kenny Gathings / Lovel Young		

<sup>\*</sup>Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

EXHIBIT A NBU 1022-2H4CS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

#### Requested Drilling Options:

Kerr-McGee will use either a closed loop drilling system that will require one pit and one cuttings storage area to be constructed on the drilling pad or a traditional drilling operation with one pit used for drilling and completion operations. The cuttings storage area will be used to contain only the de-watered drill cuttings and will be lined and bermed to prevent any liquid runoff. The drill cuttings will be buried in the completion pit once completion operations are completed according to traditional pit closure standards. The pit will be constructed to allow for completion operations. The completion operations pit will be lined with a synthetic material 20 mil or thicker and will be used for the completing of the wells on the pad or used as part of our Aandarko Completions Transportation System (ACTS). Using the closed loop drilling system will allow Kerr-McGee to decrease the amount of disturbance/footprint on location compared to a single large drilling/completions pit.

If Kerr-McGee does not use a closed loop drilling system, it will construct a traditional drilling/completions pit to contain drill cuttings and for use in completion operations. The pit will be lined with a synthetic material 20 mil or thicker. The drill cuttings will be buried in the pit using traditional pit closure standards.

RECEIVED: Mar. 06, 2012

# BLM - Vernal Field Office - Notification Form

Ope	rator <u>KERR MCGEE</u> Rig Name/# <u>H&amp;</u> F	<sup>9</sup> 311
-	mitted By SCOTT ALLRED Phone Number 4	
	Name/Number NBU 1022-2H4CS	
	Qtr NW/SE Section 2 Township 10S Range	 22F
_	se Serial Number <u>ST UT</u> ML 22651	
	Number43-047-518200000	
HLI	Number45-047-318200000	
Spuc	d Notice – Spud is the initial spudding of the	e well not drilling
	below a casing string.	e wen, not arming
outi	below a casing suring.	
	Date/Time AM D	и 🗀
	/ ii ii / ii / ii / ii / ii / ii / ii	' <u></u>
Casi	<u>ng</u> – Please report time casing run starts, n	ot cementina
time	•	
	Surface Casing	DECEIVED
一	Intermediate Casing	RECEIVED
	Production Casing	APR 0 5 2012
	5	DIV. OF OIL, GAS & MINING
	Liner	
	Other	
	Date/Time AM D	<b>4</b>
	Date/ Time AM PN	' <b>'</b>
ВОР	F	
	Initial BOPE test at surface casing point	
	BOPE test at intermediate casing point	
H	30 day BOPE test Other	
	Oulei	
	Data/Time 4/6/2012 0:00 AM -	DM 🔽
	Date/Time <u>4/6/2012</u> <u>9:00</u> AM F	141
D ~ ~~	ASSISS TIME ECTIMATED	
Rem	arks <u>TIME ESTIMATED</u>	

# BLM - Vernal Field Office - Notification Form

Operator <u>KERR MCGEE</u> Rig Name/# <u>H&amp;P 311</u> Submitted By <u>SCOTT ALLRED</u> Phone Number <u>435- 790-1884</u> Well Name/Number <u>NBU 1022-2H4CS</u> Qtr/Qtr <u>NW/SE</u> Section <u>2</u> Township <u>10S</u> Range _22E Lease Serial Number <u>ST UT ML 22651</u> API Number43-047-518200000  Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.
Date/Time AM PM
<ul> <li>Casing – Please report time casing run starts, not cementing times.</li> <li>☐ Surface Casing</li> <li>☐ Intermediate Casing</li> <li>☐ Production Casing</li> <li>☐ Liner</li> <li>☐ Other</li> </ul>
Date/Time <u>4/10/2012</u> <u>7:00</u> AM ⊠ PM □
BOPE Initial BOPE test at surface casing point BOPE test at intermediate casing point APR 1 0 2012 30 day BOPE test Other  Date/Time AM PM
Remarks TIME ESTIMATED

# BLM - Vernal Field Office - Notification Form

Operator <u>KERR MCGEE</u> Rig Name/# _	H&P 311
Submitted By SCOTT ALLRED Phone Numb	
Well Name/Number NBU 1022-2H4CS	
Qtr/Qtr NW/SE Section 2 Township 10S Ra	nge 22F
Lease Serial Number <u>ST UT ML 22651</u>	<u> </u>
API Number 43-047-518200000	
All Nulliber 15 0 17 510200000	and the second s
Spud Notice – Spud is the initial spudding of	of the well, not drilling
out below a casing string.	ine went not anning
out below a casing samp.	
Date/Time AM [	РМ 🗍
	,
Casing - Please report time casing run star	ts, not cementing
times.	, 3
Surface Casing	RECEIVED
Intermediate Casing	
Production Casing	APR 0 5 2012
Liner	DIV. OF OIL, GAS & MINING
Other	,
Other	
Date/Time AM [	рм 🗍
Date/Time An	1 11
BOPE	
Initial BOPE test at surface casing points	nt
BOPE test at intermediate casing point	
30 day BOPE test	L
Other	
Data/Time 4/6/2012 0:00 AM	
Date/Time <u>4/6/2012</u> <u>9:00</u> AM	
Domanica TIME ECTIMATED	
Remarks <u>TIME ESTIMATED</u>	

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Operator <u>KERR MCGEE</u> Rig Name/# <u>H&amp;P 311</u> Submitted By <u>SCOTT ALLRED</u> Phone Number <u>435- 790-1884</u> Well Name/Number <u>NBU 1022-2H4CS</u> Qtr/Qtr <u>NW/SE</u> Section <u>2</u> Township <u>10S</u> Range _22E Lease Serial Number <u>ST UT ML 22651</u> API Number43-047-518200000  Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.
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Date/Time <u>4/10/2012</u> <u>7:00</u> AM ⊠ PM □
BOPE Initial BOPE test at surface casing point BOPE test at intermediate casing point APR 1 0 2012 30 day BOPE test Other  Date/Time AM PM
Remarks TIME ESTIMATED

Sundry Number: 24815 API Well Number: 43047518200000

	STATE OF UTAH		FORM 9
ı	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MINI		5.LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651
SUNDR	Y NOTICES AND REPORTS O	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for pro current bottom-hole depth, FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES		
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3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th	n Street, Suite 600, Denver, CO, 80217	PHONE NUMBER: 3779 720 929-6	9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2351 FSL 1584 FEL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HP, RANGE, MERIDIAN: D2 Township: 10.0S Range: 22.0E Meridi	an: S	STATE: UTAH
11. CHECI	K APPROPRIATE BOXES TO INDICATE	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
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NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
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	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT     Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
4/11/2012	WILDCAT WELL DETERMINATION	OTHER	OTHER:
MIRU ROTARY R 4/9/2012. RAN 4-1/ PRODUCTION CASI HRS. DETAILS OF	COMPLETED OPERATIONS. Clearly show all RIG. FINISHED DRILLING FROM 12" 11.6# I-80 PRODUCTION ING. RELEASED H&P 311 RIGHT CEMENT JOB WILL BE INCLUE EPORT. WELL IS WAITING ON FACTIVITIES.	M 2480' TO 8804'ON CASING. CEMENTED ON 4/11/2012 @ 17:00 DED WITH THE WELL	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY April 20, 2012
NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBE 720 929-6304	R TITLE Regulartory Analyst	
SIGNATURE	120 323-0304	DATE	
N/A		4/12/2012	

Sundry Number: 27493 API Well Number: 43047518200000

	STATE OF UTAH		FORM 9
ı	DEPARTMENT OF NATURAL RESOUR DIVISION OF OIL, GAS, AND MI		5.LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651
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QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 02 Township: 10.0S Range: 22.0E Mer	idian: S	STATE: UTAH
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SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
·	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
✓ DRILLING REPORT	L TUBING REPAIR		☐ WATER DISPOSAL ☐
Report Date: 7/6/2012	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
.,,,,,	WILDCAT WELL DETERMINATION	OTHER	OTHER:
Start	COMPLETED OPERATIONS. Clearly show ed completing the well in Ju		Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY July 09, 2012
NAME (PLEASE PRINT) Jaime Scharnowske	<b>PHONE NUM</b> 720 929-6304	BER TITLE Regulartory Analyst	
SIGNATURE	, 20 020 0004	DATE	
N/A		7/6/2012	

RECEIVED: Jul. 06, 2012

Sundry Number: 27742 API Well Number: 43047518200000

	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURC DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651
SUNDR	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for pro current bottom-hole depth, FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES		
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-2H4CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	NSHORE, L.P.		<b>9. API NUMBER:</b> 43047518200000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18tl	h Street, Suite 600, Denver, CO, 80217	<b>PHONE NUMBER:</b> 3779 720 929-	9. FIELD and POOL or WILDCAT: 5州ATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2351 FSL 1584 FEL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: NWSE Section: (	HIP, RANGE, MERIDIAN: 02 Township: 10.0S Range: 22.0E Merid	ian: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT	✓ PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
7/12/2012	WILDCAT WELL DETERMINATION	OTHER	OTHER:
THE SUBJECT WEI 3:30 P.M. THE CHR	COMPLETED OPERATIONS. Clearly show a LL WAS PLACED ON PRODUC CONOLOGICAL WELL HISTOR' TH THE WELL COMPLETION R	CTION ON 7/12/2012 AT WILL BE SUBMITTED	<u> </u>
NAME (PLEASE PRINT) Cara Mahler	<b>PHONE NUMB</b> 720 929-6029	ER TITLE Regulatory Analyst I	
SIGNATURE N/A		<b>DATE</b> 7/13/2012	
		_ · · · · · · · · · · · · · · ·	

RECEIVED: Jul. 13, 2012

## STATE OF UTAH

	 	_
RT	FORM	8

		r	DEPAR	ST.	OF NA			URCES	:						REPOR	_	F	ORM 8
				ON OF									5. LE	ASE DE		N AND S	ERIAL NUM	BER:
WELL	L COMI	DI ET	ION	OP P	ECO	MDI	ETIC	M DI		T A NIC	) I OG						IBE NAME	<del></del>
							.E HC	- N KI	FUR		LOG							····
1a. TYPE OF WELL:  OIL GAS DRY OTHER  b. TYPE OF WORK:													- لـــر	JTU6	AGREEM 3047A		ME	
WELL 🔽	HORIZ.	DE EN	EP-	]	NTRY	]	DIFF. RESVR.	<u> </u>	отн	ER			N	IBU 1	E and NUI 1022-2		S	
2. NAME OF OPERA KERR MC		. & GA	S ON	SHOR	E, L.F	).								3047	ER: 51820			
P.O.BOX 17		Cl	TY DE	NVER		STATE	СО	ZIP <b>802</b>	217	1	NUMBER: 0) 929-6	5000			POOL, OI			
<ol><li>LOCATION OF W AT SURFACE:</li></ol>		,	SL 15	84 FEI	 L S2.	T10S	. R22E										SHIP, RANG	
AT TOP PRODU					,				S2, T	Γ10S, R	22E		NV	VSE	2	10S	22E S	8
AT TOTAL DEPT	H: SENE	2418	FNL 4	496 FE	EL S2,	T10S	, R22E	E BH	rby	HSW	١			OUNTY INTA			13. STATE	UTAH
14. DATE SPUDDED 2/10/2012		5. DATE T.I 4/9/20	-	HED:	16. DATE 7/12	COMPL 2/2012			ABANDONI	ED 🗌	READY TO	PRODUC	E 🗾		VATIONS (		3, RT, GL):	
18. TOTAL DEPTH:	8,8 <sup>DM</sup> 6,8 <sup>DV</sup> T		1	19. PLUG	BACK T.D		8,744 8,549		20. IF N	MULTIPLE CO	OMPLETION	S, HOW I	MANY? *		TH BRIDG .UG SET:	E MC		
22. TYPE ELECTRIC	C AND OTHER	MECHAN	ICAL LO	GS RUN (S	Submit cop	y of each	)			23.								
CB/GR/CCL										WAS WEL	L CORED? RUN?		NO .		YES		mit analysis) mit report)	
24. CASING AND LI	NER RECORD	) (Report a	ıli strinas	s set in we	en)					DIRECTIO	NAL SURVE	Y?	NO		YES 🗸	(Sub	mit copy)	
HOLE SIZE	SIZE/GRA	<del></del>	WEIGHT		TOP (	MD)	вотто	M (MD)		EMENTER EPTH	CEMENT T		SLUR VOLUME		CEMEN	T TOP *	* AMOUN	T PULLED
20"	14"	STL	36.7	7#		`	4	0				28	7020112	. (552)			+	
11"	8 5/8"	J-55	28	-				172	ļ			900				0		_
7 7/8"	4 1/2"	I-80	11.6	6#	0			789				1,520			<del> </del>	050		
												,			· · · · ·		<u> </u>	
																	1	<del>'</del>
25. TUBING RECOF	₹D														_			
SIZE	DEPTH S		PACK	ER SET (N	ID)	SIZE		DEPTH	SET (MD)	PACKE	R SET (MD)		SIZE		EPTH SE	r (MD)	PACKER	SET (MD)
2 3/8"	8,1	95	<u> </u>				لـــــــا		T			<u> </u>						
26. PRODUCING IN		TOP (	MD)	вотто	M (MD)	TOP	(TVD)	BOTTO	M (TVD)	27. PERFO	L (Top/Bot -		SIZE	NO. HO	EC I	DEDEC	RATION STA	TUE
(A) Mesaverd		6,7			880	101	(( \ \ \ \ \ )	Вотто	W (1 VD)	6,714		680	0.36	20		n Z	Squeezed	
(B)		0,,	17	0,0				<del></del>		0,7 14		1000	0.30	20	Оре	===	Squeezed	<u> </u>
(C)	·			<del> </del>								+			Ope	=	Squeezed	<del> </del>
(D)		<u> </u>													Оре	- ==	Squeezed	<u> </u>
28. ACID, FRACTU	RE. TREATME	NT. CEME	NT SQU	EEZE. ETC	 }.			ł	R			L	I		Торо	<u>"                                      </u>	Oqueezeu	<u> </u>
	INTERVAL		l						AMO	OUNT AND T	YPE OF MA	FRIAL						
6,714 - 8,68			DIIN	AD Q A	63 BE	21 2 2	ICK F	120 &		93 LBS			MA SA	ND				<del></del>
0,7 14 - 0,00				rages		JEO O	LICITI	120 Q	190,0	JOS LOS	30/30 (	JIIA	VVA SA	IND				<del>~~</del>
					-		· · · · · · · · · · · · · · · · · · ·		*							<del></del>		
29. ENCLOSED AT	TACHMENTS:						***************************************						<del></del>			30. WE	LL STATUS:	
=	RICAL/MECHA			CEMENT	VERIFICA	ATION	<del></del>	GEOLOG CORE AN	IC REPOR	=	DST REPOR	т 🔽	DIRECT	FIONAL S	SURVEY		PRO	D
											<u> </u>					<del>R</del>	<b>ECEIV</b>	ED-
(5/2000)							(CO	NTINUI	ED ON E	BACK)							. 0 0	

(CONTINUED ON BACK)

AUG 2 8 2012

#### 31. INITIAL PRODUCTION

#### INTERVAL A (As shown in item #26)

ODUCED:	1				1 1_		TEST PRODUCTION RATES: →	OIL – BBL:	GAS MCF: 2.952	WATER - BBL:	PROD. METHOD: FLWG
TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU GAS		24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF: 2,952	WATER - BBL: 300	INTERVAL STATUS PROD		
	•		INT	ERVAL B (As show	vn in item #26)	·		<del></del>	<del>-</del>		
DDUCED:	TEST DATE:		HOURS TESTE	D:	TEST PRODUCTION RATES: →	OIL BBL:	GAS - MCF:	WATER BBL:	PROD. METHOD:		
TBG, PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS			OIL – BBL:	GAS - MCF:	WATER BBL:	INTERVAL STATUS:		
	<del></del> -		ואו	ERVAL C (As sho	wn in item #26)	<u> </u>			<u></u>		
ODUCED:	TEST DATE:		HOURS TESTE	D:	TEST PRODUCTION RATES: →	OIL - BBL;	GAS - MCF:	WATER - BBL:	PROD. METHOD:		
TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS		
			IN	ERVAL D (As sho	wn in item #26)	<u> </u>	<del></del>				
ODUCED:	TEST DATE:		HOURS TESTE	D:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:		
TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS		
	TBG. PRESS.  ODUCED:  TBG. PRESS.  DDUCED:  TBG. PRESS.	7/18/2012 TBG. PRESS. CSG. PRESS. 0  DDUCED: TEST DATE: TBG. PRESS. CSG. PRESS.  DDUCED: TEST DATE: TBG. PRESS. CSG. PRESS.	TBG. PRESS.  CSG. PRESS.  DDUCED:  TEST DATE:  TBG. PRESS.  CSG. PRESS.  API GRAVITY  DDUCED:  TEST DATE:  TBG. PRESS.  CSG. PRESS.  API GRAVITY  DDUCED:  TEST DATE:  TBG. PRESS.  CSG. PRESS.  API GRAVITY	7/18/2012  TBG. PRESS. CSG. PRESS. O O O INTO INTO INTO INTO INTO INTO INT	THE Control of Contr	TBG. PRESS. CSG. PRESS. API GRAVITY BTU - GAS GAS/OIL RATIO 24 HR PRODUCTION RATES: →  INTERVAL B (As shown in Item #26)  DDUCED: TEST DATE: HOURS TESTED: TEST PRODUCTION RATES: →  INTERVAL C (As shown in Item #26)  DDUCED: TEST DATE: HOURS TESTED: TEST PRODUCTION RATES: →  INTERVAL C (As shown in Item #26)  DDUCED: TEST DATE: HOURS TESTED: TEST PRODUCTION RATES: →  INTERVAL C (As shown in Item #26)  DDUCED: TEST DATE: HOURS TESTED: TEST PRODUCTION RATES: →  INTERVAL D (As shown in Item #26)  DDUCED: TEST DATE: HOURS TESTED: TEST PRODUCTION RATES: →  INTERVAL D (As shown in Item #26)  DDUCED: TEST DATE: HOURS TESTED: TEST PRODUCTION RATES: →  INTERVAL D (As shown in Item #26)  DDUCED: TEST DATE: HOURS TESTED: TEST PRODUCTION RATES: →  INTERVAL D (As shown in Item #26)	7/18/2012         24         RATES: →         0           TBG. PRESS.         CSG. PRESS.         API GRAVITY         BTU - GAS         GAS/OIL RATIO         24 HR PRODUCTION RATES: →         OIL - BBL: RATES: → <td>7/18/2012         24         RATES: →         0         2,952           TBG. PRESS.         CSG. PRESS.         API GRAVITY         BTU - GAS         GAS/OIL RATIO         24 HR PRODUCTION RATES: →         OIL - BBL: GAS - MCF: QAS - MCF: QAS</td> <td>  TBG. PRESS.   CSG. PRESS.   API GRAVITY   BTU - GAS   GAS/OIL RATIO   24 HR PRODUCTION   RATES: →   O   2,952   300    </td>	7/18/2012         24         RATES: →         0         2,952           TBG. PRESS.         CSG. PRESS.         API GRAVITY         BTU - GAS         GAS/OIL RATIO         24 HR PRODUCTION RATES: →         OIL - BBL: GAS - MCF: QAS	TBG. PRESS.   CSG. PRESS.   API GRAVITY   BTU - GAS   GAS/OIL RATIO   24 HR PRODUCTION   RATES: →   O   2,952   300		

33. SUMMARY OF POROUS ZONES (include Aquifers):

34. FORMATION (Log) MARKERS:

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				GREEN RIVER BIRD'S NEST MAHOGANY WASATCH MESAVERDE	1,107 1,382 1,774 4,379 6,554

35. ADDITIONAL REMARKS (Include plugging procedure)

The first 210' of the surface hole was drilled with a 12 ¼" bit. The remainder of the surface hole was drilled with an 11" bit. DQX casing was run from surface to 4,715'; LTC casing was run from 4,715' to 8,789'. Attached is the chronological well history, perforation report, and final survey.

36. Ih	ereby certify that the forego	ing and attached information is com-	plete and correct as determined from	all available records

NAME (PLEASE PRINT) JAIME SCHARNOWSKE

TITLE REGULATORY ANALYST

SIGNATURE Jaine Chauseusse

DATE 8122 2018

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

\* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

\*\* ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining

1594 West North Temple, Suite 1210 Box 145801

Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

Well: NBU 1022-:	2H4CS -	GREEN						Spud Date: 2/	17/2012				
Project: UTAH-U	INTAH			Site: NBU	J 1022-2J	PAD			Rig Name No: PROPETRO 12/12, H&P 311/311				
Event: DRILLING	<del></del>			Start Date	e: 2/2/201	12	T		End Date: 4/11/2012				
Active Datum: Rh Level)	<b @5,0<="" th=""><th>62.00usft (ab</th><th>oove Mean S</th><th></th><th><del></del></th><th></th><th colspan="7">0/10/S/22/E/2/0/0/26/PM/S/2351/E/0/1584/0/0</th></b>	62.00usft (ab	oove Mean S		<del></del>		0/10/S/22/E/2/0/0/26/PM/S/2351/E/0/1584/0/0						
Date	1 1 1 1 1	Time art-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation				
2/16/2012		- 18:00	7.00	MIRU	01	В	Р		SKID OVER, SAFETY MEETING, RIG DOWN CURRENT SURGE SYSTEM, LEVEL AND GRADE LOCATION, SPOT AND INSTALL SURGE TANK AND SHAKER TANK FOR CLOSED LOOP SYSTEM, SPOT HYDRAULIC MOTORS/PUMPS, RIG UP FLOWLINES, RIG UP ALL CONNECTIONS AND GENERATORS, INSTALL SCREENS AND HANDRAILS ON TANKS. REPLACE BELTS ON CHARGING PUMP ON HOLE PUMP SKID.				
		- 21:00	3.00	PRPSPD	08	В	Z		WELDS BROKEN ON CAROUSEL, CHANGE POWER SWIVEL OIL, REPAIR HYDRAULIC LINES, REPLACE WARPED AND CRACKED CALIPERS ON BRAKES, REPLACE BRAKE PADS, GENERAL WELDING AROUND FLOOR.				
	21:00	- 23:30	2.50	MIRU	01	В	Р		INSTALL DIVERTER HEAD AND BLOOIE LINE, RE-ROUTE AND RE-BUILD FLOW DITCH, SPOT IN RIG, CATWALK AND PIPE RACKS. RIG UP PIT PUMP. RIG UP HOLE PUMP. INSPECT RIG. PRIME YELLOW DOG, RESERVE PIT PUMP AND TEST TANKS. SUFFICIENT WATER VOLUME IS PRESENT IN RESERVE.				
	23:30	- 0:00	0.50	PRPSPD	01	В	Р		HELD PJSM. P/U 8" 1.83 BEND .17 RPG MUD MOTOR (5th RUN) (SN 775-77294). M/U QD507 12.25" BIT (10 th RUN) (SN 7137066). P/U SHOCK SUB SN (160-80835). TRIP IN CONDUCTOR TO SPUD. TEST FLOWLINE AND TANK SYSTEMS BEFORE SPUD.				
2/17/2012	0:00	- 1:00	1.00	DRLSUR	02	D	Р		SPUD 02/17/2012 00:00. DRILL 12.25" HOLE 44'- 210'. GPM 491. PSI ON/OFF 600/400. CIRCULATING RESERVE WITH SURGE AND SHAKER TANKS W. 8.3 ppg WATER. DRILL DOWN TO 210' W/ 6" COLLARS.				
		- 1:15	0.25	DRLSUR	05	Α	P		CIRCULATE & CONDITION HOLE FOR TRIP OUT OF HOLE				
		- 3:00	1.75	DRLSUR	06	Α	Р		TRIP OUT. LAY DOWN 6" DRILL COLLARS, 12 1/4 BIT. CHECK BIT AND MOTOR( 5th RUN) . PICK UP Q506 11" BIT ( 8 th RUN) (SN 7029500) P/U 8" DIRECTIONAL ASSEMBLY. INSTALL EM TOOL. TRIP IN TO 210' TO DRILL AHEAD.				
	3:00	- 6:00	3.00	DRLSUR	02	D	P		DRILL 11in. HOLE 210 ft440 ft., CIRC RESERVE W. 8.3 ppg WATER. ROTATING HOURS 4 / 396 ft. = 99 fph. NO HOLE ISSUES.				
	6:00 6:30	- 6:30 - 18:00	0.50	MAINT	07	A	P		PRE TOUR SAFETY MEETING - RIG SERVICE				
		- 18:00 - 0:00	11.50 6.00	DRLSUR	02 02	D D	P P		DRILL 11" HOLE 440 ft 1550 ft., CIRCULATING RESERVE AND SURGE/ SHAKER TANKS W. 8.3 ppg WATER. 94 fph. NO HOLE ISSUES. DRILL 11" HOLE 1550 ft 2000 ft., CIRCULATING				
	0:00	- 6:00	6.00	DRLSUR	02	D	Р		RESERVE AND SURGE/ SHAKER TANKS W. 8.3 ppg WATER. 75 fph. NO HOLE ISSUES. SWITCHED TO AREATED FLUID AT 1700 ft. DRILL FROM 2000 ft. TO TD AT 2480 ft.				

## **Operation Summary Report**

 Well: NBU 1022-2H4CS - GREEN
 Spud Date: 2/17/2012

 Project: UTAH-UINTAH
 Site: NBU 1022-2J PAD
 Rig Name No: PROPETRO 12/12, H&P 311/311

 Event: DRILLING
 Start Date: 2/2/2012
 End Date: 4/11/2012

Active Datum: Rk Level)	(B @5,062.00usft (a	bove Mean S	ea			0/S/22/E/	2/0/0/26/PM/S/23	1/E/0/1584/0/0				
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation				
	6:00 - 7:00 7:00 - 10:00	1.00	csg csg	05 06	C D	P P		CIRCULATE, SWEEP AND CLEAN HOLE, PREPARE FOR TRIP OUT OF HOLE FOR CASING LAY DOWN DRILL STRING FOR CASING RUN				
	10:00 - 10:30	0.50	ALL	22	С	X		AT THE HALFWAY LAYING DOWN OF 6 INCH COLLARS, WELL BEGAN FLOWING, PUMPED AND FILLED WATER ON HOLE TO KILL WELL, CHECKED FOR FLOW FOR 15 MINUTES, NO FLOW OBSERVED.				
	10:30 - 10:45	0.25	CSG	06	D	P		SAFETY ORIENTATION MEETING-(LIVE WELL CONDITIONS). LAY DOWN 3 - 6 INCH COLLARS WHILE FILLING HOLE IN A "PULL-FILL" CYCLE.				
	10:45 - 11:30	0.75	ALL	22	С	X		AT THE TOP OF THE 8 INCH BHA, WELL BEGAN TO SURGE-FLOW VIGOROUSLY. PUMPED ON HOLE TO ATTEMPT KILL AND CYCLIC SURGE-FLOW SLOWLY BEGAN TO DECREASE. CALL FOR HEAVY MUD. WELL STOPPED SURGING AT 1130 HOURS.				
	11:30 - 14:00	2.50	ALL	22	С	X		WAIT ON KILL MUD AND TOP PLACE HEAVY 12 ppg. MUD (130 bbls.) FROM ENSIGN 139 INTO WELLBORE AS A MUDCAP. HELD ON LOCATION A TRUCK WITH H&P 298 (130 bbls.) AS BACKUP KILL VOLUME. HOLE STILL LOSING FULL RETURNS. WELL CYCLE HAD SUBSIDED FOR 1 HOUR.				
	14:00 - 18:00	4.00	ALL	22	С	X		PULL TWO EIGHT INCH COLLARS, WELL BEGAN FLOWING BADLY, STOP OPERATIONS. ALL 12 ppg. MUD RAPIDLY EVACUATED FROM WELLBORE AND CYCLIC SURGING CONTINUED UNABATED THEREON. OBSERVED TIMING PATTERN BETWEEN CYCLES AND ALLOWED WELL TO JUST BEGIN CALMING DOWN SLIGHTLY BUT LARGE EJECTED VOLUMES CONTINUED. CALLED AND WAITED FOR ADDITIONAL KILL MUD, ARRANGED MITIGATION PLAN, CONDUCTED SAFETY ORIENTATION.				
	18:00 - 21:00	3.00	DRLSUR	06	D	Р		WITH KILL MUD ON LOCATION, SAFETY ORIENTATION WITH MORNING TOUR AND PLAN IN PLACE, BEGIN LAYING DOWN DOWN BOTTOM HOLE ASSEMBLY AND DIRECTIONAL TOOLS BETWEEN VIGOROUS SURGE CYCLES. PULL AND LAY DOWN DIRECTIONAL TOOLS, MOTOR AND REMOVE UNRELATED- OPERATIONAL TOOLS FROM AREA.				
	21:00 - 0:00	3.00	CSG	12	С	P		HÖLD ANOTHER SAFETY MEETING PRIOR TO INITIATING CASING OPERATIONS BETWEEN SURGE CYCLES (15 MINUTE INTERVAL, 6 MINUTE DURATION) MOVE PIPE RACKS AND CATWALK. PULL DIVERTER HEAD. RIG UP TO RUN CASING. BEGIN TO RUN 55 JOINTS OF 8-5/8 in. 28# J-55 LTC CASING BETWEEN SURGE CYCLES.				
2/19/2012	0:00 - 2:00	2.00	DRLSUR	12	С	P		FINISH RUNNING 55 JOINTS OF 8-5/8 in. 28# J-55 LTC CASING. LAND FLOAT SHOE @ 2447 ft. KB. LAND BAFFLE PLATE @ 2401 ft. KB. RAN 5 TOTAL CENTRALIZERS. WELL CONTINUES SURGING. LAND CASING WHILE RIGGING UP CEMENTERS.				

Vell: NBU 1022	-2H4CS	- GREEN						Spud Date: 2/17	7/2012			
roject: UTAH-l	JINTAH			Site: NBU	1022-2J	PAD	_		Rig Name No: PROPETRO 12/12, H&P 311/311			
vent: DRILLIN	G			Start Date	e: 2/2/201	12			End Date: 4/11/2012			
ctive Datum: R	KB @5,6	062.00usft (ab	ove Mean S	ea	UWI: N\	W/SE/0/10	)/S/22/E	/2/0/0/26/PM/S/235	51/E/0/1584/0/0			
Date		Time tart-End	Duration	Phase	Code	Sub	P/U	MD From	Operation			
	2:00	- 2:45	0.75	DRLSUR	12	E	P	(usft)	PRESSURE TEST LINES TO 1000 PSI. PUMP 135 BBLS OF WATER AHEAD. MIX AND PUMP 20 BBLS OF 8.3# GEL WATER AHEAD. MIX AND PUMP (300 SX) 61.4 BBLS OF 15.8# 1.15 YIELD 5 GAL/SK PREMIUM CEMENT W/ 4% CALC. DROP PLUG ON FLY. DISPLACE W/ 147 BBLS OF H20. NO RETURNS THROUGH OUT JOB. FINAL LIFT OF 300 PSI AT 4 BBL/MIN. BUMP PLUG AT DISPLACEMENT VOLUME. LAND THE PLUG WITH 750 PSI. SHUT DOWN HELD 800 PSI FOR 5 MIN. TESTED FLOAT AND FLOAT HELD.			
	2.40	- 8:00	5.25	DRLSUR	12	E	P		CEMENT DOWN BACKSIDE w/ 150 sx. (30.7 bbls.) SAME TAIL CEMENT WITHOUT RETURNS TO SURFACE, WAIT ON CEMENT, THEN TOP OUT CEMENT DOWN BACKSIDE w/ 150sx. (30.7 bbls.) SAME TAIL CEMENT WITH NO CEMENT TO SURFACE . SECOND TOP OUT, CEMENT DOWN BACKSIDE w/ 150sx. (51.2 bbls.) SAME TAIL CEMENT WITH NO RETURNS TO SURFACE. THIRD TOP OUT, CEMENT DOWN BACKSIDE w/ 150sx. (51.2 bbls.) SAME TAIL CEMENT WITH NO RETURNS TO SURFACE .RIG DOWN CEMENTERS. WILL TOP OUT ON NEXT WELL. RIG RELEASE AT 300 hrs. 2-19-2012			
4/6/2012	17:00	- 19:00	2.00	DRLPRO	01	С	Р		SKID RIG F/ NBU 1022-2J4BS TO NBU 1022-2G4BS WELL 3 OF 6. SKID SLOW DUE TO SKID AROUND A EXISTING WELL & RIG UP			
	19:00	- 0:00	5.00	DRLPRO	15	A	Р		HOLD SAFTEY MEETING, RIG UP BOP TESTERS PRESS TEST THE BOP, TIW, DART VALVE, BOP VALVES, PIPE RAMS, BLIND RAMS, CHOKE VALVES, KILL LINE AND STRATA LINES TO 250 PSI LOW/5MIN AND 5000 PSI HIGH/10 MIN. TESTED THE ANNULAR T/250 PSI LOW & 2500 PSI HIGH, TEST 8 5/8" CASING T/1500 PSI (OK)			
4/7/2012		- 2:30	2.50	DRLPRO	15		Р		STRATA LINES TO 250 PSI LOW/5MIN AND 5000 PSI HIGH/10 MIN. TESTED THE ANNULAR T/250 PSI LOW & 2500 PSI HIGH,TEST 8 5/8" CASING T/1500 PSI (OK) INSTALL WEAR BUSHING RIG DOWN TESTER,			
	2:30	- 4:00	1.50	DRLPRO	09	A	P		CUT AND SLIP 71' OF DRILLING LINE			
	4:00	- 7:00	3.00	DRLPRO	06	Α			MAKE UP BOTTOM HOLE ASSEMBLY AND TRIP IN			
	7:00	- 9:30	2.50	DRLPRO	02	F	Р		THE HOLE TAG CEMENT@ 2380 DRILL CEMENT 2380 FLOAT 2426' SHOE 2472'			

/ell: NBU 1022-2	H4CS	- GREEN						Spud Date: 2/1	7/2012		
roject: UTAH-UII	NTAH			Site: NBU	1022-2J	PAD			Rig Name No: PROPETRO 12/12, H&P 311/311		
vent: DRILLING				Start Date	e· 2/2/201	12	1		End Date: 4/11/2012		
ctive Datum: RK	B @5 (	062 00usft (a	bove Mean S		7		NS/22/E/2/	0/0/26/PM/S/23	51/E/0/1584/0/0		
evel)	,		2010 1110411 0	ou .			-, 0,	0.0,20,1 14110,20	11 LI 01 100 47 07 0		
Date		Time	Duration	Phase	Code	Sub	P/U	MD From	Operation		
	s	tart-End	(hr)			Code		(usft)			
	9:30	- 17:00	7.50	DRLPRO	02	В	Р		DRILL F/ 2501' TO 3200' /7.5 HOURS / 699' TOTAL		
									FEET @ 93.2 FEET PER HOUR		
									PICK UP STRING WEIGHT 116 K		
									SLACK OFF STRING WEIGHT 76 K		
									ROTATING STRING WEIGHT 93 K		
									PRESSURE OFF BOTTOM 1450 PS		
									PRESSURE ON BOTTOM 1600 PSI		
									TORQUE OFF BOTTOM 5,000		
									TORQUE ON BOTTOM 6,000		
									WEIGHT ON BIT 25,000		
									ROTARY RPM'S 55		
									MUD MOTOR RPM'S 124		
									STROKES PER MINUTE 60/60 - GPM 540		
									MUD WEIGHT 8.5 VIS 27		
									SLIDE 1581/ 2.33 HRS /67.8 FPH		
									ROTATE 541' / 5.17 HRS / 104.4FPH		
									4'RIGHT/ 22' HIGH OF THE LINE OPEN		
									ANNULAR DRILLING PRESSURE 150 PSI		
									ANNULAR CONNECTION PRESS 50 PSI		
									15 FEET TO 20 FEET FLARE		
									NOV DEWATERING		
									STRATA ON LINE OPEN		
	17:00	- 17:30	0.50	DRLPRO	07	Α	P		RIG SERVICE		
	17:30	- 0:00	6.50	DRLPRO	02	В	Р		DRILL F/ 3200' TO 4211'/6.5 HOURS / 1011' TOTAL		
									FEET @ 155.5 FEET PER HOUR		
									PICK UP STRING WEIGHT 155 K		
									SLACK OFF STRING WEIGHT 84 K		
									ROTATING STRING WEIGHT 114 K		
									PRESSURE OFF BOTTOM 1575 PS		
									PRESSURE ON BOTTOM 2143 PSI		
									TORQUE OFF BOTTOM 8,000		
									TORQUE ON BOTTOM 11,000		
									WEIGHT ON BIT 25,000		
									ROTARY RPM'S 55		
									MUD MOTOR RPM'S 124		
									STROKES PER MINUTE 60/60 - GPM 540		
									MUD WEIGHT 8.5 VIS 27		
									SLIDE 453'/ 3.75 HRS /120.8 FPH		
									ROTATE 648' / 2.75 HRS / 235FPH		
									16.5' RIGHT/ 6' HIGH OF THE LINE OPEN		
									ANNULAR DRILLING PRESSURE 145 PSI		
									ANNULAR CONNECTION PRESS 70 PSI		
									0 FEET TO 15 FEET FLARE		
									NOV DEWATERING		

Well: NBU 1022-	-2H4CS - GREEN						Spud Date: 2/17/2012
Project: UTAH-L	JINTAH		Site: NBU	1022-2J	PAD		Rig Name No: PROPETRO 12/12, H&P 311/311
vent: DRILLING	3		Start Date	e: 2/2/201	2	T	End Date: 4/11/2012
ctive Datum: R	KB @5,062.00usft (at	oove Mean Se				0/S/22/E/2	0/0/26/PM/S/2351/E/0/1584/0/0
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From Operation (usft)
4/8/2012	0:00 - 17:30 17:30 - 18:00 18:00 - 0:00	0.50 6.00	DRLPRO DRLPRO DRLPRO	07 02	В	P	DRILL F/ 4211' TO 6520' 17.5 HOURS / 2309' TOTAL FEET @ 131.9 FEET PER HOUR PICK UP STRING WEIGHT 215 K SLACK OFF STRING WEIGHT 102 K ROTATING STRING WEIGHT 140 K PRESSURE OFF BOTTOM 184 PS PRESSURE OF BOTTOM 1550 PSI TORQUE OFF BOTTOM 14,000 TORQUE ON BOTTOM 14,000 WEIGHT ON BIT 25,000 ROTARY RPM'S 55 MUD MOTOR RPM'S 124 STROKES PER MINUTE 60/60 - GPM 540 MUD WEIGHT 8.5 VIS 27 SLIDE 270' 4.33 HRS /62.3 FPH ROTATE2039' / 13.17 HRS / 154.8FPH 16.5' NE OF THE LINE OPEN ANNULAR DRILLING PRESSURE 144 PSI ANNULAR CONNECTION PRESS 81 PSI 0 FEET TO 15 FEET FLARE NOV DEWATERING STRATA ON LINE OPEN RIG SERVICE DRILL F/ 6520' TO 7250' 6 HOURS / 730' TOTAL FEET @ 121.6 FEET PER HOUR PICK UP STRING WEIGHT 146 K PRESSURE OFF BOTTOM 1630 PS PRESSURE OF BOTTOM 2238 PSI TORQUE OFF BOTTOM 17,000 TORQUE ON BOTTOM 238 PSI TORQUE OFF BOTTOM 18,000 WEIGHT ON BIT 25,000 ROTARY RPM'S 55 MUD MOTOR RPM'S 124 STROKES PER MINUTE 60/60 - GPM 540 MUD WEIGHT 8.6 VIS 28 SLIDE 75' 2.25 HRS /33.3 FPH ROTATE 655' / 3.75 HRS / 174.6FPH 11' NE OF THE LINE OPEN ANNULAR CONNECTION PRESS 65 PSI 0 FEET TO 15 FEET FLARE

8/16/2012 12

					Орск			ry Report	<u> 1862년 1일 2대 :</u> 일본 2대 : 전원 1대 : 2대 :
Well: NBU 1022-		GREEN						Spud Date: 2/17	7/2012
Project: UTAH-U	INTAH			Site: NBU	J 1022-2J	PAD			Rig Name No: PROPETRO 12/12, H&P 311/311
Event: DRILLING	3			Start Dat	e: 2/2/201	2			End Date: 4/11/2012
Active Datum: RI	KB @5,06	32.00usft (ab	ove Mean S	ea	UWI: N	N/SE/0/1	0/S/22/E/2/	0/0/26/PM/S/23	51/E/0/1584/0/0
Level)	1				1	1 - 1 - 1 - 1	_8, 8,		
Date	1 4 5 5	rime irt-End	Duration (hr)	Phase	Code	Sub	P/U	MD From	Operation
4/9/2012		- 16:30	16.50	DRLPRO	02	Code B	P	(usft)	DRILL F/ 7250' TO 8392'/ 16.5 HOURS / 1142' TOTAL
									FEET @ 69.2 FEET PER HOUR PICK UP STRING WEIGHT 295 K SLACK OFF STRING WEIGHT 121 K ROTATING STRING WEIGHT 175 K PRESSURE OFF BOTTOM 1785 PS PRESSURE ON BOTTOM 2265 PSI TORQUE OFF BOTTOM 17,000 TORQUE ON BOTTOM 18,000 WEIGHT ON BIT 25,000 ROTARY RPM'S 55 MUD MOTOR RPM'S 124 STROKES PER MINUTE 60/60 - GPM 540 MUD WEIGHT 8.6 VIS 28 SLIDE 45'/ 2. HRS /22.5 FPH ROTATE 1097' / 14.5 HRS / 78.6FPH 8'SW OF THE LINE OPEN ANNULAR DRILLING PRESSURE 205 PSI ANNULAR CONNECTION PRESS 97 PSI
	16:30	- 17:00	0.50	DRLPRO	07	A	P		15 FEET TO 20 FEET FLARE NOV DEWATERING STRATA ON LINE OPEN RIG SERVICE
	17:00	- 22:00	5.00	DRLPRO	02	В	P		DRILL F/ 8392' TO 8804' TD / 5.0 HOURS / 412' TOTAL FEET @ 82.4 FEET PER HOUR PICK UP STRING WEIGHT 295 K SLACK OFF STRING WEIGHT 121 K ROTATING STRING WEIGHT 175 K PRESSURE OFF BOTTOM 1785 PS PRESSURE ON BOTTOM 2265 PSI TORQUE OFF BOTTOM 17,000 TORQUE ON BOTTOM 18,000 WEIGHT ON BIT 25,000 ROTARY RPM'S 55 MUD MOTOR RPM'S 124 STROKES PER MINUTE 60/60 - GPM 540 MUD WEIGHT 8.6 VIS 28 SLIDE 0'/ 0. HRS /0 FPH ROTATE 412' / 5 HRS / 82.4FPH 13'S OF THE LINE OPEN ANNULAR DRILLING PRESSURE 205 PSI ANNULAR CONNECTION PRESS 97 PSI 15 FEET TO 20 FEET FLARE NOV DEWATERING STRATA ON LINE OPEN
	22:00	- 0:00	2.00	DRLPRO	05	Α	P		DISPLACE WATER WITH 11.9 MUD
4/10/2012	0:00	- 1:30	1.50	DRLPRO	05	Α	P		CIRC. AND DISPLACE WATEWR WITH 11.7 MUD
	1:30	- 2:30	1.00	DRLPRO	06	Ε	Р		TRY TO TRIP OUT FOR WIPER RUN HOLE TO TIGHT
	2:30	- 4:30	2.00	DRLPRO	05	Α	Р		CIRC. AND COND HOLE FOR TRIP
	4:30	- 10:00	5.50	DRLPRO	06	E	Р		PUMP 20 STANDS OUT / TRIP OUT TO SHOE AND BACK IN TAG BOTTOM
		- 13:00 - 15:00	3.00	DRLPRO	03	E	P		WASH AND REAM 8600' TO 8804'
		- 15:00 - 19:30	2.00	DRLPRO	05 06	A	P		CIRC. AND CONDICTION HOLE FOR CASING
	10,00	- 19:30	4.50	DRLPRO	06	D	Р		TRIP OUT OF THE HOLE TO RUN 4½ PRODUCTION CASING

#### **Operation Summary Report**

Vell: NBU 1022	-2H4CS -	GREEN						Spud Date: 2/17	7/2012
Project: UTAH-l	HATAIL			Site: NBL	J 1022-2J	PAD			Rig Name No: PROPETRO 12/12, H&P 311/311
Event: DRILLIN	G			Start Date	e: 2/2/201	2			End Date: 4/11/2012
Active Datum: R ₋evel)	KB @5,0	62.00usft (a	bove Mean S	ea	UWI: N	N/SE/0/1	0/S/22/E/2	/0/0/26/PM/S/23	51/E/0/1584/0/0
Date	7 .	Time art-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
4/11/2012	9:30 21:00 0:00 7:30 8:00 8:30		1	DRLPRO DRLPRO DRLPRO DRLPRO DRLPRO DRLPRO DRLPRO	06 12 12 12 01 01 12	1 1	POPPPPPPPPPPPPPPPPPPPPPPPPPPPPPPPPPPPP		Departion  BREAK OF BIT AND MUD MOTOR, STAND BACK BHA,  PULL WEAR BUSHING. RIG UP CASING CREW. RUN 207 JTS. FLOAT SHOE, SHOE JOINT FLOAT COLLAR, 56 JOINTS I-80 11.60# LT&C CASING & 1MARKER JOINT OF 4 1/2" I-80 11.6# LT&C CASING & 1 CROSS OVER LT&C PIN TO DQX BOX & 110 JTS 4 1/2" I-80 11.6# DQX CASING W/ SHOE SET @ 8789' & FLOAT COLLAR @ 8745' (TORQUE TURN DQX CASING) MARKER JOINT @ MESA VERDE MARKER JOINT SET @ 6466, XOVER SET AT 4714  CONTINUE - PULL WEAR BUSHING. RIG UP CASING CREW. RUN 207 JTS, FLOAT SHOE, SHOE JOINT FLOAT COLLAR, 56 JOINTS I-80 11.60# LT&C CASING & 1 MARKER JOINT OF 4 1/2" I-80 11.6# LT&C CASING & 1 MARKER JOINT SI 1.60# LT&C CASING & 1 CROSS OVER LT&C PIN TO DQX BOX & 110 JTS 4 1/2" I-80 11.6# DQX CASING W/ SHOE SET @ 8789' & FLOAT COLLAR @ 8745' (TORQUE TURN DQX CASING) MARKER JOINT @ MESA VERDE MARKER JOINT SET @ 6466', XOVER SET AT 4714' CIRC. OUT GAS AND SAFETY MEETING RIG DOWN FRANKS CASING CREW.  SAFTEY MEETING W/ CEMENTERS, RIG UP CEMENTERS  CEMENT PUMP ENGINE WOULDN'T START WAIT FOR MECHANIC  HOLD SAFTEY MEETING, RIG UP BJ CEMENTERS, PRESSURE TEST LINES TO 5000 PSI FOR 5 MIN., PUMPED 25 BBLS PRE FLUSH 8.4 PPG H2O, LEAD CEMENT = 12.5 PPG @ 2.02 CU/FT SACK YIELD, 450 SACKS, 162 BBLS
	16:30	- 17:00	0.50	DRLPRO	14	A	Р		YIELD, 1070 SACKS, 250 BBLS, DISPLACED 136 BBLS H2O W/CLAY CARE + 1 GAL MAGNACIDE, FINAL LIFT PRESS 2150 PSI, BUMP PLUG T/ 3075 PSI HELD FOR 5 MIN, BLEED OFF FLOAT HELD, 3 BBLS CEMENT TO SURFACE, 25 BBLS OF PRE FLUSH BACK TO SURFACE, CALCULATED TOP OF TAIL @ 2931', RIG DOWN BJ CEMENTING EQUIPMENT, FLUSH OUT BOPS & FLOWLINE. RIG DOWN CEMENTERS & RELEASE CEMENTERS. FLUSH OUT BOP'S NIPPLE DOWN BOPE, SET 4 1/2" C-22 CSG SLIPS W/112K ON SLIPS, CUT OFF CSG, CLEAN MUD TANKS, RIG RELEASED 17:00 HRS

#### 1 General

#### 1.1 Customer Information

Company	US ROCKIES REGION
Representative	
Address	

#### 1.2 Well/Wellbore Information

Well	NBU 1022-2H4CS - GREEN	Wellbore No.	ОН	
Well Name	NBU 1022-2H4CS	Wellbore Name	NBU 1022-2H4CS	
Report No.	1	Report Date	6/22/2012	
Project	UTAH-UINTAH	Site	NBU 1022-2J PAD	
Rig Name/No.		Event	COMPLETION	
Start Date	7/11/2012	End Date	7/12/2012	
Spud Date	2/17/2012	Active Datum	RKB @5,062.00usft (above Mean Sea Level)	
UWI	NW/SE/0/10/S/22/E/2/0/0/26/PM/S/2351/E/0/1584	1/0/0		

#### 1.3 General

Contractor	g .	Job Method	Supervisor	
Perforated Assembly		Conveyed Method		

#### 1.4 Initial Conditions

#### 1.5 Summary

Fluid Type		Fluid Density	Gross Interval	6,714.0 (usft)-8,680.0 (usft	Start Date/Time	7/24/2012 12:00AM
Surface Press		Estimate Res Press	No. of Intervals	53	End Date/Time	7/24/2012 12:00AM
TVD Fluid Top		Fluid Head	Total Shots	201	Net Perforation Interval	65.00 (usft)
Hydrostatic Press		Press Difference	Avg Shot Density	3.09 (shot/ft)	Final Surface Pressure	
Balance Cond	NEUTRAL				Final Press Date	

#### 2 intervals

#### 2.1 Perforated Interval

Date	Formation/ Reservoir	CCL@ (usft)	CCL-T S	MD Top (usft)	MD Base (usft)	Shot Density	Misfires/ Add. Shot	Diamete r	Carr Type /Stage No	Carr Size	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight	Reason	Misrun
7/24/2012 12:00AM	MESAVERDE/	<u> </u>	(usit)	6,714.0	6,717.0	(shot/ft)   4.00		(in) 0.360	EXP/	(in) 3,375	90.00			PRODUCTIO N	

August 16, 2012 at 12:33 pm 1 OpenWells

#### 2.1 Perforated Interval (Continued)

Date	Formation/ Reservoir	CCL@ (usft)	CCL-T	MD Top	MD Base (usft)	Shot Density	Misfires/ Add. Shot	Diamete r	Can	Type /Stage No	Carr Size	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight	Reason	Misrun
	reservon	(usit)	(usft)	(usit)	(doit)	(shot/ft)	Add. Onot	(in)	100		(in)		manadoute	(gram)		
7/24/2012	MESAVERDE/	 -	1 (	6,764.0	6,767.0	4.00			EXP/		3.375	90.00			PRODUCTIO	1
12:00AM															N	
	MESAVERDE/			6,814.0	6,815.0	3.00		0.360	EXP/		3.375	120.00		23.00	PRODUCTIO	
12:00AM															N	
7/24/2012 12:00AM	MESAVERDE/			6,855.0	6,856.0	3.00		0.360	EXP/		3.375	120.00			PRODUCTIO N	
1	MESAVERDE/			6.894.0	6,895,0	3,00		0.360	EYD/		3.375	120,00			PRODUCTIO	
12:00AM	WEOKVERDE			0,004.0	0,000.0	0,00		0,000	L/(I /		0,070	120.00			N	
7/24/2012	MESAVERDE/			6,915.0	6,916.0	3.00		0.360	EXP/		3.375	120.00		23.00	PRODUCTIO	
12:00AM															N	
1	MESAVERDE/			6,942.0	6,943.0	3.00		0.360	EXP/		3.375	120.00		23.00	PRODUCTIO	
12:00AM														***	N	
7/24/2012 12:00AM	MESAVERDE/			6,982.0	6,983.0	3.00		0.360	EXP/		3.375	120.00			PRODUCTIO N	
	MESAVERDE/			7.025.0	7.026.0	3.00		0.360	FXP/		3,375	120.00			PRODUCTIO	
12:00AM	WEO/ WENDE			1,020.0	7,020.0	0,00		0,000			0.070	120.00			N	
7/24/2012	MESAVERDE/			7,037.0	7,038.0	3.00		0.360	EXP/		3.375	120.00		23.00	PRODUCTIO	
12:00AM															N	
1	MESAVERDE/			7,071.0	7,072.0	3.00		0.360	EXP/		3.375	120.00			PRODUCTIO	
12:00AM	MEGAL/EDDE/			7 445 0	7.440.0				EVD/		0.075	400.00			N PRODUCTIO	
12:00AM	MESAVERDE/			7,115.0	7,116.0	3.00		0.360	EXP/		3.375	120.00			N PRODUCTIO	
	MESAVERDE/			7,135.0	7,136.0	3.00		0.360	FXP/		3,375	120.00			PRODUCTIO	
12:00AM				,,	7,100.0	0.00		0.000							N	
7/24/2012	MESAVERDE/			7,155.0	7,156.0	3.00		0.360	EXP/		3,375	120.00		23.00	PRODUCTIO	
12:00AM															N	
	MESAVERDE/			7,170.0	7,171.0	3.00		0.360	EXP/		3.375	120.00			PRODUCTIO	
12:00AM	MECAL/EDDE/			7,185,0	7 400 0	2.00		0.000	EVD/		3,375	120.00			N PRODUCTIO	
12:00AM	MESAVERDE/			7,100.0	7,186.0	3.00		0.360	EXP/		3.375	120.00			N	
	MESAVERDE/			7,194.0	7,195.0	3.00		0,360	EXP/		3.375	120.00			PRODUCTIO	
12:00AM				,	,										N	
	MESAVERDE/			7,223.0	7,224.0	3.00		0.360	EXP/		3.375	120.00			PRODUCTIO	
12:00AM															N	
	MESAVERDE/			7,278.0	7,280.0	3.00		0.360	EXP/		3.375	120.00			PRODUCTIO	j
12:00AM	MECAVEDDE/			7 206 0	7 207 0	2.00		0.260	EVD/		3,375	120.00			N PRODUCTIO	
12:00AM	MESAVERDE/			7,326.0	7,327.0	3.00		0.360	ニヘピ/		3.3/5	120.00			N	
1	MESAVERDE/			7,375.0	7,376.0	3.00		0.360	EXP/		3,375	120.00			PRODUCTIO	
12:00AM	3, 1,			.,	.,	2.23		2.230							N	
7/24/2012	MESAVERDE/			7,446.0	7,447.0	3.00		0.360	EXP/		3.375	120.00			PRODUCTIO	
12:00AM															N	

#### 2.1 Perforated Interval (Continued)

Date	Formation/ CCL(	CCL-T	MD Top	MD Base	Shot	Misfires/	Diamete	Carr Type /Stage No	Carr	Phasing	Charge Desc /Charge	Charge	Reason	Misrun
	Reservoir (usft	) S (usft)	(usft)	(usft)	Density (shot/ft)	Add. Shot	r (in)		Size (in)	(°)	Manufacturer	Weight (gram)		
7/24/2012	MESAVERDE/	1 (44.17	7,467.0	7,468.0	3.00			EXP/	3,375	120.00			PRODUCTIO	نـــــــــــــــــــــــــــــــــــــ
12:00AM			•	•									N	
7/24/2012	MESAVERDE/		7,596.0	7,597.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	
12:00AM													N	
7/24/2012	MESAVERDE/		7,634.0	7,635.0	3,00		0,360	EXP/	3.375	120.00		23.00	PRODUCTIO	
12:00AM													N	
1	MESAVERDE/		7,641.0	7,642.0	3.00		0.360	EXP/	3.375	120.00			PRODUCTIO	
12:00AM													N	
	MESAVERDE/		7,702.0	7,704.0	3.00		0.360	EXP/	3.375	120.00			PRODUCTIO	
12:00AM													N	
	MESAVERDE/		7,776.0	7,778.0	3.00		0.360	EXP/	3.375	120.00			PRODUCTIO N	
12:00AM	MECAL/EDDE/		7 077 0	7 070 0	2.00		0.260	EVD/	2 275	400.00			PRODUCTIO	
12:00AM	MESAVERDE/		7,877.0	7,878.0	3.00		0.360	EXP/	3.375	120.00			N	
	MESAVERDE/		7,913.0	7,915,0	3.00		0.360	EYD/	3.375	120.00			PRODUCTIO	
12:00AM	MESAVERDE/		7,813.0	7,815.0	3.00		0.300	LAFI	3.373	120.00			N	
	MESAVERDE/		7,979.0	7,980.0	3.00		0.360	FXP/	3.375	120.00			PRODUCTIO	
12:00AM	11120, (121, 132)		7,070.0	7,000.0	0.00		0.000		0.0.0	120.00			N	
	MESAVERDE/		8,000.0	8,001.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	
12:00AM			•	,									N	
7/24/2012	MESAVERDE/		8,026.0	8,028.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	
12:00AM													N	
7/24/2012	MESAVERDE/		8,066.0	8,067.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	
12:00AM													N	
1	MESAVERDE/		8,078.0	8,079.0	3.00		0.360	EXP/	3.375	120.00			PRODUCTIO	
12:00AM													N	
1 ' '	MESAVERDE/		8,094.0	8,095.0	3.00		0.360	EXP/	3.375	120.00			PRODUCTIO	
12:00AM								TVD:	0.075	100.00			N	
1	MESAVERDE/		8,106.0	8,107.0	3.00		0.360	EXP/	3.375	120.00			PRODUCTIO N	
12:00AM	MESAVERDE/		0.420.0	0 120 0	3.00		0.360	EVD/	3.375	120.00			PRODUCTIO	
12:00AM	WESAVERDE/		8,130.0	8,132.0	3.00		0.360	EAT/	3.373	120.00			N	
	MESAVERDE/		8,144,0	8,146.0	3.00		0.360	FYP/	3.375	120.00			PRODUCTIO	
12:00AM	WEOAVERDE/		0, 144.0	0,140.0	0.00		0.550		0.010	120.00			N	
1	MESAVERDE/		8,223.0	8,224.0	3.00		0,360	EXP/	3.375	120.00			PRODUCTIO	
12:00AM	·····		-,	-,0									N	
	MESAVERDE/		8,271.0	8,272.0	3.00		0.360	EXP/	3,375	120,00		23.00	PRODUCTIO	
12:00AM				,									N	
7/24/2012	MESAVERDE/		8,295.0	8,296.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	
12:00AM			-										N	
7/24/2012	MESAVERDE/		8,306.0	8,307.0	3.00		0.360	EXP/	3.375	120.00			PRODUCTIO	
12:00AM										_			N	

#### 2.1 Perforated Interval (Continued)

Date	Formation/ Reservoir	CCL@ (usft)	CCL-T S (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diamete r (in)	Carr Type /Stage No	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
7/24/2012 12:00AM	MESAVERDE/			8,327.0	8,328.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
7/24/2012 12:00AM	MESAVERDE/			8,374.0	8,375.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
7/24/2012 12:00AM	MESAVERDE/			8,390.0	8,391.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
7/24/2012 12:00AM	MESAVERDE/			8,448.0	8,449.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
7/24/2012 12:00AM	MESAVERDE/			8,487.0	8,488.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
7/24/2012 12:00AM	MESAVERDE/			8,492.0	8,493.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
7/24/2012 12:00AM	MESAVERDE/			8,502.0	8,503.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
7/24/2012 12:00AM	MESAVERDE/			8,622.0	8,623.0	3.00		0.360	EXP/	3.375	120.00			PRODUCTIO N	
7/24/2012 12:00AM	MESAVERDE/			8,655.0	8,656.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
7/24/2012 12:00AM	MESAVERDE/			8,678.0	8,680.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	

#### 3 Plots

#### 3.1 Wellbore Schematic



Well: NBU 1022	-2H4CS -	GREEN			<u> </u>		Spu	d Date: 2/17/2012
Project: UTAH-U	JINTAH	_		Site: NBU	1022-2J	PAD		Rig Name No: SWABBCO 6/6, SWABBCO 6/6
Event: COMPLE	TION			Start Date	e: 7/11/20	)12		End Date: 7/12/2012
Active Datum: R Level)	KB @5,06	32.00usft (ab	ove Mean Se	а	UWI: N\	N/SE/0/10	)/S/22/E/2/0/0/2	6/PM/S/2351/E/0/1584/0/0
Date	1.50	Time art-End	Duration (hr)	Phase	Code	Sub Code	P/U M	D From Operation (usft)
2/17/2012 6/21/2012	7:45	- - 8:53	1.13	COMP	48		Р	HSM & JSA W/B & C QUICK TEST.
	11:20	- 12:34	1.23	СОМР	33	С	Р	WHP 0 PSI. FILL SURFACE CSG. MIRU B&C QUICK TEST. PSI TEST T/ 1039 PSI. HELD FOR 15 MIN LOST 7 PSI. PSI TEST T/ 3553 PSI. HELD FOR 15 MIN LOST 23 PSI. 1ST PSI TEST T/ 7006 PSI. HELD FOR 30 MIN LOST 83 PSI. NO COMMUNICATION OR MIGRATION WITH SURFACE CSG

Р

BLEED OFF PSI. MOVE T/ NEXT WELL. SWI

HSM, HOT WEATHER, STAYING HYDRATED

8/16/2012

6/25/2012

7:00 - 7:15

0.25

COMP

48

12:31:22PM

				Opera	ition S	umma	ry Report	
	2H4CS - GREEN		Jan. 110				Spud Date: 2/17	
Project: UTAH-U			Site: NB	J 1022-2.	J PAD			Rig Name No: SWABBCO 6/6, SWABBCO 6/6
Event: COMPLE				e: 7/11/20		<u> </u>		End Date: 7/12/2012
Level)	KB @5,062.00usft (al	bove Mean Se	a	UVVI: N	W/SE/0/1	0/S/22/E/2	2/0/0/26/P <b>M</b> /S/235	51/E/0/1584/0/0
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:15 - 17:00	9.75	COMP	36	В	P		PERF & FRAC FOLLOWING WELL AS PER DESIGN W/ 30/50 MESH SAND & SLK WTR.  ALL CBP'S ARE HALIBURTON 8K CBP'S. REFER TO STIM PJR FOR FLIUD, SAND AND CHEMICL VOLUME PUM'D  FRAC STG #1] WHP=1,810#, BRK DN PERFS=2,819#, @=2.3 BPM, INJ RT=50.6, INJ PSI=4,321#, INITIAL ISIP=2,368#, INITIAL FG=.72, FINAL ISIP=2,588#, FINAL FG=.74, AVERAGE RATE=50.1, AVERAGE PRESSURE=4,393#, MAX RATE=51.8, MAX PRESSURE=5,676#, NET PRESSURE INCREASE=220#, 24/24 100% CALC PERFS OPEN. X OVER TO WIRE LINE  PERF STG #2] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=8,421*, PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36* HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW  FRAC STG #2] WHP=2,120#, BRK DN PERFS=3,181#, @=4,7 BPM, INJ RT=54.2, INJ PSI=4,809#, INITIAL ISIP=2,275#, INITIAL FG=.71, FINAL ISIP=2,581#, FINAL FG=.75, AVERAGE RATE=50.1, AVERAGE PRESSURE=4,690#, MAX RATE=55.9, MAX PRESSURE=5,304#, NET PRESSURE INCREASE=306#, 21/21 100% CALC PERFS OPEN. X OVER TO WIRE LINE  PERF STG #3] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=8,176*, PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36* HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW  FRAC STG #3] WHP=1,740#, BRK DN PERFS=3,509#, @=4.8 BPM, INJ RT=58.4, INJ PSI=5,280#, INITIAL ISIP=2,434#, INITIAL FG=.74, FINAL ISIP=2,438#, FINAL FG=.74, AVERAGE RATE=57.4, AVERAGE PRESSURE=4,842#, MAX RATE=59.7, MAX PRESSURE=5,424#, NET PRESSURE INCREASE=4#, 24/24 100% CALC PERFS OPEN. X OVER TO WIRE LINE  PERF STG #3] P/U RIH W/ HALIBURTON 8K CBP & PERF STG #3] WHP=1,740#, BRK DN PERFS=3,509#, @=4.8 BPM, INJ RT=58.4, INJ PSI=5,280#, INITIAL ISIP=2,434#, INITIAL FG=.74, FINAL ISIP=2,438#, FINAL FG=.74, AVERAGE RATE=57.4, AVERAGE PRESSURE=5,424#, NET PRESSURE INCREASE=4#, 24/24 100% CALC PERFS OPEN. X OVER TO WIRE LINE  PERF STG #4] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=8,056*, PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36* HOLE. AS PERF GUN, SET CBP @=8,056*, PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36* HOLE. AS
6/26/2012	6:45 - 7:00	0.25	СОМР	48		Р		PERSAY IN PROCEDURE, X OVER TO FRAC CREW HSM, WORKING W/ CHEMICALS

eli: NBU 102:	2-2H4CS - GREEN						Spud Date: 2/	17/2012
ject: UTAH-	UINTAH		Site: NB	U 1022-2.	J PAD			Rig Name No: SWABBCO 6/6, SWABBCO 6/6
ent: COMPL	ETION		Start Da	te: 7/11/20	012			End Date: 7/12/2012
ive Datum: I	RKB @5,062.00usft (a	pove Mean Se				D/S/22/E/2	/0/0/26/PM/S/23	851/E/0/1584/0/0
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:00 - 17:30	10.50	COMP	36	В	P		FRAC STG #4] WHP=1,990#, BRK DN PERFS=2,680#, @=4.7 BPM, INJ RT=51.2, INJ PSI=4,645#, INITIAL ISIP=2,084#, INITIAL FG=.70, FINAL ISIP=2,592#, FINAL FG=.76, AVERAGE RATE=51.7, AVERAGE PRESSURE=4,367#, MAX RATE=53.5, MAX PRESSURE=5,083#, NET PRESSURE INCREASE=508#, 21/21 100% CALC PERFS OPEN. X OVER TO WIRE LINE  PERF STG #5] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=7,808*, PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW
								FRAC STG #5] WHP=1,290#, BRK DN PERFS=2,662#, @=5.1 BPM, INJ RT=54.9, INJ PSI=3,702#, INITIAL ISIP=1,561#, INITIAL FG=.64, FINAL ISIP=2,078#, FINAL FG=.71, AVERAGE RATE=54, AVERAGE PRESSURE=3,654#, MAX RATE=58.6, MAX PRESSURE=4,432#, NET PRESSURE INCREASE=517#, 21/21 100% CALC PERFS OPEN. X OVER TO WIRE LINE  PERF STG #6] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=7,498', PERF MESAVERDE
								USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW FRAC STG #6] WHP=877#, BRK DN PERFS=2,108#, @=4.7 BPM, INJ RT=51.5, INJ PSI=3,973#, INITIAL ISIP=1,138#, INITIAL FG=.59, FINAL ISIP=2,175#, FINAL FG=.73, AVERAGE RATE=51.1, AVERAGE PRESSURE=4,133#, MAX RATE=54.1, MAX PRESSURE=4,594#, NET PRESSURE INCREASE=1,037#, 21/21 100% CALC PERFS OPEN. X OVER TO WIRE LINE
6/27/2012	6:45 - 7:00	0.25	COMP	48		Р		PERF STG #7] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=7,213', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW SWIFN. HSM, RIGGING DOWN / OVER HEAD LOADS

Well: NBU 1022-	2H4CS - GREEN						Spud Date: 2/17/2012
Project: UTAH-U	INTAH		Site: NBU	1022-2J	PAD		Rig Name No: SWABBCO 6/6, SWABBCO 6/6
Event: COMPLE	TION		Start Date	e: 7/11/20	12		End Date: 7/12/2012
Active Datum: Rh Level)	(B @5,062.00usft (ab	ove Mean Se	a	UWI: N\	N/SE/0/1	0/S/22/E/2	2/0/0/26/PM/S/2351/E/0/1584/0/0
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From Operation (usft)
6/28/2012 6/29/2012	7:00 - 7:00	0.00	COMP	36	В	P	FRAC STG #7] WHP=923#, BRK DN PERFS=2,508#, @=4.7 BPM, INJ RT=48.8, INJ PSI=3,878#, INITIAL ISIP=1,575#, INITIAL FG=.66, FINAL ISIP=2,344#, FINAL FG=.77, AVERAGE RATE=54, AVERAGE PRESSURE=4,394#, MAX RATE=57.1, MAX PRESSURE=4,652#, NET PRESSURE INCREASE=769#, 21/21 100% CALC PERFS OPEN. X OVER TO WIRE LINE  PERF STG #8] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=7,061', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW  FRAC STG #8] WHP=1,564#, BRK DN PERFS=2,708#, @=5.7 BPM, INJ RT=53.9, INJ PSI=3,794#, INITIAL ISIP=1,575#, INITIAL FG=.67, FINAL ISIP=2,320#, FINAL FG=.77, AVERAGE RATE=54.4, AVERAGE PRESSURE=4,223#, MAX RATE=57.7, MAX PRESSURE=4,622#, NET PRESSURE INCREASE=745#, 24/24 100% CALC PERFS OPEN. X OVER TO WIRE LINE  PERF STG #9] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=6,797', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW  FRAC STG #9] WHP=162#, BRK DN PERFS=2,289#, @=4.7, INITIAL ISIP=199#, INITIAL FG=.47,  DID NOT SET TOP KILL  TOTAL FLUID PUMP'D=9,463 TOTAL SAND PUMP'D=195,093#
	7:00 - 7:15	0.05	0040	40		ъ	IOA MELL CONTES
7/11/2012	7:00 - 7:15	0.25	COMP	48		Р	JSA= WELL CONTROL

						ummai	ry Report	
Well: NBU 1022	2-2H4CS - GREEN	<u> </u>					Spud Date: 2/17	/2012
Project: UTAH-I	UINTAH		Site: NB	U 1022-2.	J PAD		,	Rig Name No: SWABBCO 6/6, SWABBCO 6/6
Event: COMPLE	ETION		Start Dat	te: 7/11/26	112	T		End Date: 7/12/2012
Active Datum: F	RKB @5,062.00usft (a	bove Mean Sea				)/S/22/E/2/	0/0/26/PM/S/235	
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:15 - 17:00	9.75	COMP	30		P		RD RIG MOVE RU ON 2H4CS CONT WELL 20 BBLS TMAC ND WELLHEAD NU BOPS RU FLOOR & TUBING EQUIP WELL UNLOADED FLUID CONTROL WELL & CONTINUE TO PUMP 1 BPM PU POBS PKG TALLY & PU TUBING RIH TAG 1ST PLUG  PLUG #1] TAG SAND @ 6777' (20' FILL) C/O & DRILL THRU HALLI 8K CBP @ 6797' IN 11 MIN W/ 150# INCREASE  PLUG #2] CONTINUE TO RIH TAG SAND @ 7041' (20' FILL) C/O & DRILL THRU HALLI 8K CBP @ 7061' IN 9 MIN W/ 100# INCREASE  PLUG #3] CONTINUE TO RIH TAG SAND @ 7188' (25' FILL) C/O & DRILL THRU HALLI 8K CBP @ 7213' IN 7 MIN W/ 200# INCREASE  SWIVEL BROKE SD DRILLING TO REPAIR PWR SWVL ALLOW WELL TO CLEAN UP CONTINUE
7/12/2012	7:00 - 7:15	0.25	COMP	48		P		DRILLING IN AM JSA= DRILLING PLUGS

8/16/2012 12:31:22PM

5

Well NRU 1022	2H4CS - GREEN		**********	- 1- FI 1975		<u> </u>	Soud Data: 04	
Project: UTAH-U			Site: NDI	J 1022-2J	IDAD		Spud Date: 2/17	
· · · · · · · · · · · · · · · · · · ·								Rig Name No: SWABBCO 6/6, SWABBCO 6/6
Event: COMPLE			J	e: 7/11/20		1010:===		End Date: 7/12/2012
Level)	KB @5,062.00usft (a	bove Mean Se	а	UWI: N	W/SE/0/	10/S/22/E/:	2/0/0/26/PM/S/235	51/E/0/1584/0/0
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:15 - 17:00	9.75	COMP	30		Р	<del></del>	SIWP= 1700 PSI OPEN WELL TO PIT
								PLUG #4] CONTINUE TO RIH TAG SAND @ 7468' (30' FILL) C/O & DRILL THRU HALLI 8K CBP @ 7498' IN 11 MIN W/ 250# INCREASE
								PLUG #5] CONTINUE TO RIH TAG SAND @7778' (30' FILL) C/O & DRILL THRU HALLI 8K CBP @ 7808' IN 9 MIN W/ 100# INCREASE
								PLUG #6] CONTINUE TO RIH TAG SAND @ 8026' (30' FILL) C/O & DRILL THRU HALLI 8K CBP @ 8056' IN 13 MIN W/ 50# INCREASE
								PLUG #7] CONTINUE TO RIH TAG SAND @8151' (25' FILL) C/O & DRILL THRU HALLI 8K CBP @ 8176' IN 10 MIN W/ 100# INCREASE
								PLUG #8] CONTINUE TO RIH TAG SAND @ 8394' (30' FILL) C/O & DRILL THRU HALLI 8K CBP @ 8424' IN 11 MIN W/ 50# INCREASE
								PBTD] CONTINUE TO RIH TAG SAND @ 8714' C/O TO PBTD @ 8744' CIRC CLEAN (600# FWP) RD DRILLING EQUIP PUH LD 18 JNTS LAND TUB ON HNGR W/ 258 JNTS EOT @ 8194.88' RD FLOOR & TUBING EQUIP ND BOPS NU WELLHEAD DROP BALL PUMP OFF BIT @ 2700 PSI SIW NU & TEST FLOW LINE TURN WELL OVER TO FBC RD RIG MOVE TO NBU 1022-211BS SIWP= 1500 PSI OPEN TO PIT FLOWING WTR
								TUBING DETAIL  K.B
	17:00 - 17:00	0.00	COMP	50				RIG REC= 3000 BBLS  LEFT TO REC= 6463 BBLS  CTAP DEL= 283 JNTS  USED= 258 JNTS  RETURNED= 25 JNTS  WELL TURNED TO SALES @ 45:20 HB ON
	17.55	2.30	J 5 1411	30				WELL TURNED TO SALES @ 15:30 HR ON 7/12/2012, 1163 MCFD, 1680 BWPD, FCP 2650#, FTP



# **Kerr McGee Oil and Gas Onshore LP**

Uintah County, UT UTM12 NBU 1022-2J PAD NBU 1022-2H4CS

OH

**Survey: Survey #2 SDI MWD PRODUCTION** 

# **Standard Survey Report**

19 April, 2012





Project: Uintah County, UT UTM12 Site: NBU 1022-2J PAD

Well: NBU 1022-2H4CS Wellbore: OH Design: OH



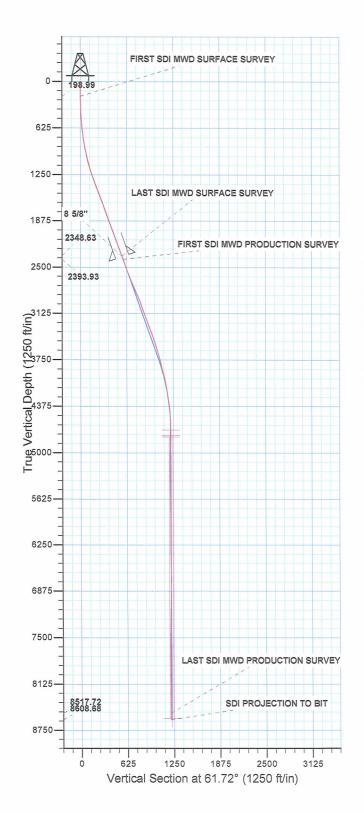
WELL DETAILS: NBU 1022-2H4CS

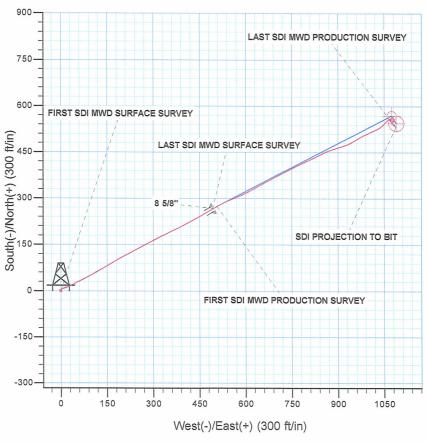
GL 5037 & KB 25 @ 5062.00ft (HP 311)

+N/-S +E/-W Northing Easting Latittude Longitude
0.00 0.00 14521745.14 2087929.40 39.977185 -109.402641

T M Azimuths to True North Magnetic North: 11.02°

Magnetic Field Strength: 52320.2snT Dip Angle: 65.87° Date: 07/19/2011 Model: IGRF2010





PROJECT DETAILS: Uintah County, UT UTM12

Geodetic System: Universal Transverse Mercator (US Survey Feet)
Datum: NAD 1927 - Western US
Ellipsodi: Clarke 1866
Zone: Zone 12N (114 W to 108 W)
Location: SECTION 2 T10S R22E
System Datum: Mean Sea Level

Design: OH (NBU 1022-2H4CS/OH)

Created By: Gabe Kendall Date: 9:16, April 19 2012



#### SDI Survey Report



Company:

Kerr McGee Oil and Gas Onshore LP

Project:

Uintah County, UT UTM12

Site: Wall: NBU 1022-2J PAD NBU 1022-2H4CS

Wellbore: Design:

ОН ОН Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference:

**Survey Calculation Method:** Database:

Well NBU 1022-2H4CS

GL 5037 & KB 25 @ 5062.00ft (HP 311) GL 5037 & KB 25 @ 5062.00ft (HP 311)

True

Minimum Curvature

EDM 5000.1 Single User Db

**Project** 

Uintah County, UT UTM12

Map System: Geo Datum:

Universal Transverse Mercator (US Survey Feet)

NAD 1927 - Western US

Map Zone:

Zone 12N (114 W to 108 W)

System Datum:

Mean Sea Level

Site

NBU 1022-2J PAD, SECTION 2 T10S R22E

Site Position: From:

Lat/Long

Northing: Easting: Slot Radius: 14,521,767.83 usft 2.087.874.06 usft

13.200 in

Latitude: Longitude:

**Grid Convergence:** 

39.977250 -109.402837 1.03°

Well

NBU 1022-2H4CS, 2351 FSL 1584 FEL

0.00 ft

**Well Position** +N/-S

+E/-W

0.00 ft 0.00 ft

Northing: Easting:

14,521,745.15 usft 2,087,929.40 usft

Latitude: Longitude:

39.977185 -109.402641

**Position Uncertainty** 

Position Uncertainty:

0.00 ft

Wellhead Elevation:

ft

**Ground Level:** 

5,037.00 ft

Wellbore

ОН

Magnetics

**Model Name** 

Sample Date

Declination (°)

**Dip Angle** (°)

**Field Strength** 

(nT)

IGRF2010

07/19/11

0.00

11.02

65.87

52.320

Design

ОН

**Audit Notes:** 

Version:

1.0

Phase:

**ACTUAL** 

Tie On Depth:

0.00

Vertical Section:

Depth From (TVD)

+N/-S

+E/-W

Direction

(ft)

(ft) 0.00

(ft) 0.00 (°)

61.72

Survey Program

Date 04/19/12

From

To

(ft) Survey (Wellbore) **Tool Name** 

Description

21.00 2,485.00 2,437.00 Survey #1 SDI MWD SURFACE (OH)

8,804.00 Survey #2 SDI MWD PRODUCTION (OH)

MWD SDI MWD SDI MWD - Standard ver 1.0.1 MWD - Standard ver 1.0.1

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
2,437.00	19.52	60.43	2,348.63	265.54	493.59	560.48	0.00	0.00	0.00
2,485.00	19.08	59.27	2,393.93	273.50	507.31	576.34	1.22	-0.92	-2.42
FIRST SDI M	WD PRODUCTIO	N SURVEY							
2,579.00	19.08	64.28	2,482.77	288.02	534.36	607.04	1.74	0.00	5.33
2,674.00	21.81	68.67	2,571.79	301.18	564.79	640.08	3.29	2.87	4.62
2,768.00	22.34	63.49	2,658.90	315.51	597.05	675.27	2.15	0.56	-5.51
2,862.00	23.30	61.38	2,745.55	332.39	629.36	711.72	1.34	1.02	-2.24
2,957.00	22.51	60.59	2,833.05	350.32	661,69	748.69	0.89	-0.83	-0.83
3,051.00	22.95	62.70	2,919.76	367.56	693.65	785.00	0.99	0.47	2.24
3,145.00	18.03	61.55	3,007.78	382.91	722.75	817.89	5.25	-5.23	-1.22



#### **SDI** Survey Report



Company:

Kerr McGee Oil and Gas Onshore LP

Project: Site: Uintah County, UT UTM12 NBU 1022-2J PAD

Well:

NBU 1022-2H4CS

Wellbore: Design: OH OH Local Co-ordinate Reference:

TVD Reference:

GL 5037 & KB 25 @ 5062.00ft (HP 311)

MD Reference: North Reference:

Survey Calculation Method:

Database:

GL 5037 & KB 25 @ 5062.00ft (HP 311) True Minimum Curvature

Well NBU 1022-2H4CS

EDM 5000.1 Single User Db

#### Survey

							_	1000	
Measured Depth	Inclination	Azimuth	Vertical Depth	+N/ O	. 17/34/	Vertical	Dogleg	Build	Turn
(ft)	(°)	(°)	(ft)	+N/-S (ft)	+E/-W (ft)	Section (ft)	Rate (°/100ft)	Rate (°/100ft)	Rate (°/100ft)
3,240.00	21.54	63.05	3,097.16	397.82	751.23	850.04	3.73	3.69	1.58
3,334.00	21.28	65.16	3,184.67	412.81	782.09	884.32	0.86	0.20	0.04
3,429.00	20.93	64.19	3,273.30	427.44	813.01	918.48	0.52	-0.28	2.24
3,523.00	20.14	62.08	3,361.33	442.32	842.42	910.46 951.44		-0.37	-1.02
3,617.00	17.85	68.59	3,450.22	455.16	870.14	951.44 981.93	1.15	-0.84	-2.24
3,712.00	17.59	74.12	3,540.71	464.41	897.51	1,010.41	3.32 1.79	-2.44 -0.27	6.93 5.82
									****
3,806.00 3,900.00	17.41 15.92	69.02 59.44	3,630.37 3,720.44	473.33	924.30	1,038.23	1.64	-0.19	-5.43
3,994.00	13.98	58.65	•	484.92	948.54	1,065.07	3.32	-1.59	-10.19
4,089.00	15.39	65.25	3,811.25	497.38	969.34	1,089.29	2.08	-2.06	-0.84
4,183.00	12.31	65.60	3,903.15 3,994.41	508.63 518.00	990.59 1,011.05	1,113.33 1,135.79	2.30 3.28	1.48 -3.28	6.95
1,700.00	12.01	00.00	0,004.41	310.00	1,017.03	1,133.79	3.20	-3.20	0.37
4,278.00	10.99	62.08	4,087.45	526.42	1,028.27	1,154.95	1.58	-1.39	-3.71
4,372.00	7.39	49.25	4,180.24	534.57	1,040.77	1,169.82	4.38	-3.83	-13.65
4,466.00	8.71	43.36	4,273.31	543.69	1,050.24	1,182.47	1.65	1.40	-6.27
4,561.00	7.74	45.91	4,367.33	553.37	1,059.77	1,195.46	1.09	-1.02	2.68
4,655.00	5.28	62.52	4,460.73	559.77	1,068.16	1,205.87	3.27	-2.62	17.67
4,750.00	2.64	87.04	4,555.50	561.90	1,074.22	1,212.22	3.24	-2.78	25.81
4,844.00	1.41	247.53	4,649.47	561.57	1,075.32	1,213.03	4.25	-1.31	170.73
4,939.00	1.06	241.03	4,744.45	560.70	1,073.47	1,210.99	0.40	-0.37	-6.84
5,033.00	0.97	227.05	4,838.43	559,73	1,072.12	1,209.35	0.28	-0.10	-14.87
5,127.00	0.70	192.25	4,932.43	558.63	1,071.42	1,208.21	0.60	-0.29	-37.02
5,222.00	1.14	195.24	5,027.41	557.15	1,071.05	1,207.18	0.47	0.46	3.15
5,316.00	1.32	177.83	5,121.39	555.17	1,070.84	1,206.06	0.44	0.40	-18.52
5,410.00	1.49	180.56	5,215.36	552.86	1,070.87	1,204.99	0.19	0.18	2.90
5,505.00	1.49	127.12	5,310.34	550,88	1,071.85	1,204.91	1.41	0.00	-56.25
5,599.00	2.29	116.49	5,404.28	549.31	1,074.50	1,206.50	0.93	0.85	-11.31
F 000 00									
5,693.00 5,788.00	1.14 1.58	75.79 352.38	5,498.24	548.70 550.22	1,077.09	1,208.49	1.71	-1.22	-43.30
5,882.00	1.14	2.67	5,593.22	550.23	1,077.83	1,209.87	1.94	0.46	-87.80
5,977.00	0.97	14.18	5,687.20 5,782.48	552.45 554.47	1,077.70	1,210.81	0.53	-0.47	10.95
6,071.00	0.53	37.47	5,782.18 5,876.17	554.17 555,29	1,077.94 1,078.40	1,211.84 1,212.77	0.29 0.56	-0.18 -0.47	12.12 24.78
5,5. 1.55	0.00	07.47	0,070.11	000,20	1,070.40	1,212.11	0.50	-0.47	24.76
6,165.00	0.62	81.24	5,970.17	555.71	1,079.17	1,213.65	0.46	0.10	46.56
6,260.00	0.62	129.05	6,065.16	555.47	1,080.08	1,214.33	0.53	0.00	50.33
6,354.00	1.23	340.17	6,159.16	556.10	1,080.13	1,214.68	1.90	0.65	-158.38
6,448.00	1.32	336.30	6,253.13	558.04	1,079.35	1,214.91	0.13	0.10	-4.12
6,543.00	0.97	344.03	6,348.12	559.81	1,078.69	1,215.17	0.40	-0.37	8.14
6,637.00	0.26	72.10	6,442.11	560.64	1,078.68	1,215.55	1.06	-0.76	93.69
6,731.00	0.62	101.72	6,536.11	560.60	1,079.38	1,216.15	0.44	0.38	31.51
6,826.00	1.06	131.16	6,631.10	559.92	1,080.54	1,216.85	0.63	0.46	30.99
6,920.00	1.67	132.92	6,725.07	558.42	1,082.20	1,217.60	0.65	0.65	1.87
7,015.00	1.93	187.06	6,820.03	555.89	1,083.02	1,217.12	1.74	0.27	56.99
7 400 00	4.67	207 00	0.040.00	EFO 40	4.000.40	4 045 07		**	00.10
7,109.00	1.67	207.89	6,913.98	553.10	1,082.18	1,215.07	0.74	-0.28	22.16
7,203.00	0.79	296.31	7,007.97	552.18	1,080.96	1,213.55	1.94	-0.94	94.06



#### SDI Survey Report



Company:

Kerr McGee Oil and Gas Onshore LP

Project:

Uintah County, UT UTM12

Site: Well: NBU 1022-2J PAD NBU 1022-2H4CS

Wellbore: Design:

ОН ОН Local Co-ordinate Reference:

**TVD Reference:** MD Reference:

North Reference: **Survey Calculation Method:** 

Database:

Well NBU 1022-2H4CS

GL 5037 & KB 25 @ 5062.00ft (HP 311) GL 5037 & KB 25 @ 5062.00ft (HP 311)

Minimum Curvature

EDM 5000.1 Single User Db

7,298.00 7,392.00	· (°)	(°)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
7,392.00	0.79	241.82	7.102.96	552.16			•	, ,	, ,
,	1.41	241.62	7,102.96 7,196.94	552.16 550.99	1,079.79	1,212.52	0.76	0.00	-57.36
					1,078.46	1,210.78	0.77	0.66	-21.66
7,487.00	1.96	218.36	7,291.90	548.84	1,076.68	1,208.20	0.59	0.58	-3.26
7,581.00	0.86	137.78	7,385.88	547.06	1,076.15	1,206.89	2.14	-1.17	-85.72
7,675.00	0.79	146.19	7,479.87	545.99	1,076.99	1,207.12	0.15	-0.07	8.95
7,769.00	0.44	161.49	7,573.86	545.11	1,077.46	1,207.12	0.41	-0.37	16.28
7,864.00	0.62	160.34	7,668.86	544.28	1,077.75	1,206.99	0.19	0.19	-1.21
7,958.00	1.14	149.01	7,762.85	543.00	1,078.40	1,206.95	0.58	0.55	-12.05
8,053.00	1.27	160.19	7,857.83	541.20	1,079.25	1,206.84	0.28	0.14	11.77
8,147.00	0.70	40.46	7,951.82	540.66	1,079.97	1,207.22	1.84	-0.61	-127.37
8,241.00	0.44	71.57	8,045.81	541.21	1,080.69	1,208.12	0.42	-0.28	33.10
8,336.00	0.79	123.43	8,140.81	540.97	1,081.58	1,208.79	0.66	0.37	54.59
8,430.00	1.32	127.56	8,234.79	539,95	1,082.98	1,209.54	0.57	0.56	4.39
8,525.00	1.25	144.38	8,329.77	538.44	1,084.45	1,210.12	0.40	-0.07	17.71
8,619.00	1.14	152.17	8,423.75	536.78	1,085.48	1,210.24	0.21	-0.12	8.29
8,713.00	1.67	148.83	8,517.72	534.78	1,086.63	1,210.30	0.57	0.56	-3,55
LAST SDI MW	D PRODUCTIO	N SURVEY	31		-	•		_	3.00

Casing Points					
	Measured	Vertical		Casing Hole	
	Depth	Depth		Diameter Diameter	
	(ft)	(ft)	Name	(in) (in)	
	2,447.00	2,358.06 8 5/8"		8.625 11.000	

Survey Ann	otations					
	Measured	Vertical	Local Coordinates			
	Depth	Depth	+N/-S	+E/-W		
(ft)	(ft)	(ft)	(ft)	Comment		
	2,485.00	2,393.93	273.50	507.31	FIRST SDI MWD PRODUCTION SURVEY	
	8,713.00	8,517.72	534.78	1,086.63	LAST SDI MWD PRODUCTION SURVEY	
	8,804.00	8,608.68	532.51	1,088.00	SDI PROJECTION TO BIT	

A			
Checked By:	Approved By:	Data	
Checked by.	ADDIOVED BY.	Date:	
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